ALPHAMAB ONCOLOGY
康寧傑瑞生物製藥

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9966)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

The board (the "**Board**") of directors (the "**Directors**") of Alphamab Oncology (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the audited consolidated results of our Group for the year ended December 31, 2024 (the "**Reporting Period**"), together with the comparative figures for the year ended December 31, 2023. The consolidated financial statements of our Group for the Reporting Period have been reviewed by the audit committee of our Company (the "**Audit Committee**") and audited by the independent auditor of our Company.

In this announcement, "we", "us" and "our" refer to our Company and where the context otherwise requires, our Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

FINANCIAL HIGHLIGHTS

	For the year ended December 31,	
	2024	2023
	RMB' 000	*RMB' 000*
Revenue	**640,083**	218,774
Cost of sales	**(60,316)**	(55,237)
Gross profit	**579,767**	163,537
Other income	**62,023**	91,817
Other gains	**13,235**	33,094
Research and development ("**R&D**") expenses	**(404,152)**	(407,524)
Administrative expenses	**(74,607)**	(79,338)
Finance costs	**(9,924)**	(12,179)
Profit (Loss) before taxation	**166,342**	(210,593)
Income tax expense	**–**	–
Profit (Loss) for the year	**166,342**	(210,593)
Other comprehensive expense for the year		
Item that may be reclassified subsequently to profit or loss:		
Exchange loss arising on translation of a foreign operation	**(48)**	(794)
Total comprehensive income (expense) for the year	**166,294**	(211,387)

	As of December 31,	
	2024	2023
	RMB' 000	*RMB' 000*
Non-current assets	**530,406**	578,583
Current assets	**1,711,349**	1,558,530
Non-current liabilities	**155,827**	198,163
Current liabilities	**254,044**	266,838
Net assets	**1,831,884**	1,672,112

BUSINESS HIGHLIGHTS

Events during the Reporting Period

During the Reporting Period, we have been making significant progress with respect to our drug pipeline and business operations, including the following milestones and achievements:

- In January 2024, KN035 (Envafolimab) was registered by the Macau Special Administrative Region ("**Macau**") Pharmaceutical Administration Bureau for marketing, applicable for the treatment of adult patients with unresectable or metastatic non-microsatellite instability-high (MSI-H)/non-mismatchrepair deficiency (dMMR) advanced solid tumors.

- In January 2024, Jiangsu Alphamab Biopharmaceuticals Co., Ltd. (江蘇康寧傑瑞生物製藥有限公司) ("**Jiangsu Alphamab**"), a wholly-owned subsidiary of our Company, entered into a license agreement with 3D Medicines (Beijing) Co., Ltd. (思路迪(北京)醫藥科技有限公司) ("**3D Medicines**") and Glenmark Specialty S.A. ("**Glenmark**"), pursuant to which Jiangsu Alphamab and 3D Medicines agreed to grant Glenmark an exclusive license and the right to sublicence in respect of oncology indications of KN035 to, among others, develop and commercialize KN035 in India, Asia Pacific (except Singapore, Thailand and Malaysia), the Middle East and Africa, Russia, Commonwealth of Independent States and Latin America in oncology.

- In February 2024, we achieved encouraging progression-free survival (PFS) and overall survival ("**OS**") benefit, well tolerance and manageable safety profile in a phase II clinical trial of KN046 in combination with nab-paclitaxel as the first-line treatment of advanced triple-negative breast cancer ("**BC**"). Such results were published in *Nature Communications*, an open access journal that publishes high-quality research from all areas of the natural sciences.

- In March 2024, Envafolimab was included in the 2024 edition of the *Chinese Expert Consensus on the Use of Immune Checkpoint Inhibitors in Perioperative Treatment of Advanced Gastric Cancer* published by the Gastric Cancer Committee of the Chinese Anti-Cancer Association. In 2024, Envafolimab received high recognition from 16 authoritative domestic guidelines and consensuses.

- In March 2024, the results of the phase II clinical trial of KN046 in combination with chemotherapy as first-line treatment for metastatic non-small cell lung cancer ("**NSCLC**") were published in *Cell Reports Medicine*, a premium open-access journal that publishes cutting-edge research in translational and clinical biomedical sciences.

- In March 2024, the first patient was successfully dosed in Australia in the phase I/II clinical trial of JSKN033 for the treatment of human epidermal growth factor receptor 2 ("**HER2**")-expressing advanced or metastatic solid tumors. To date, the dose-escalation study was completed.

- In March 2024, an implied approval for the clinical trial of JSKN016 in treatment of advanced malignant solid tumors was obtained from the Center for Drug Evaluation (藥品審評中心) (the "**CDE**") of the National Medical Products Administration of the People's Republic of China ("**China**" or the "**PRC**") (中國國家藥品監督管理局) (the "**NMPA**") for clinical research.

- In April 2024, research updates on the results of the phase I clinical trial of JSKN003 in Australia for the treatment of HER2-expressing advanced solid tumors, which demonstrated encouraging preliminary anti-tumor activity, favorable tolerability and safety profile of JSKN003 in patients with advanced/metastatic solid tumors who received prior multi-line treatment, were presented at the American Association for Cancer Research annual meeting.

- In May 2024, the first patient was successfully dosed in China in a phase I clinical trial of JSKN016.

- In June 2024, research updates on a phase I/II clinical trial of JSKN003 in China in patients with advanced solid tumors were presented at the American Society of Clinical Oncology annual meeting. The data of its phase I clinical trial demonstrated encouraging anti-tumor activity, favorable tolerability and safety profile of JSKN003 in heavily pretreated patients.

- In June 2024, Jiangsu Alphamab entered into a research and collaboration agreement with ArriVent BioPharma, Inc. to use Jiangsu Alphamab's proprietary linker-payload platform (Alphatecan) and glycan-specific conjugation platform to discover and develop novel antibody-drug conjugate ("**ADC**") products.

- In August 2024, KN035 was granted breakthrough therapy designation by the CDE for the treatment of unresectable or metastatic solid tumors with high tumor mutational burden (TMB-H) in patients that have progressed after prior standard therapies and lack in satisfactory alternative therapies.

- In August 2024, the results for a phase Ib clinical study of KN046 combined with chemoradiotherapy as first-line treatment for recurrent and metastatic esophageal squamous cell carcinoma were published in full in *Cancer Immunology, Immunotherapy*.

- In September 2024, the regulatory review for the supplemental application for site, scale, and process changes related to KN035 was completed, and a compliance notification letter was obtained in December 2024.

- In September 2024, we completed final OS analysis for a phase III clinical trial of KN046 for the treatment of advanced squamous ("**sq**") NSCLC.

- In September 2024, the research updates on clinical trials of JSKN003 for the treatment of platinum-resistant ovarian cancer ("**PROC**") and HER2-positive ("**HER2+**") (IHC 3+) advanced solid tumors (excluding BC) were presented at the European Society for Medical Oncology ("**ESMO**") Congress.

- In September 2024, Jiangsu Alphamab entered into an up to RMB3.08 billion licensing agreement with Shanghai JMT-Bio Technology Co., Ltd. (上海津曼特生物科技有限公司) to develop, sell, offer for sale and commercialize JSKN003 for the treatment of tumor-related indications in China (excluding Hong Kong Special Administrative Region ("**Hong Kong**"), Macau or Taiwan).

- In October 2024, a phase III clinical trial of KN026 in combination with docetaxel (Albumin bound) was approved by the CDE for the neoadjuvant treatment of HER2+ early or locally advanced BC. Two additional phase III clinical trials are progressing smoothly, including one for second-line or above treatment of HER2+ gastric cancer ("**GC**")/gastroesophageal junction cancer ("**GEJ**"), and the other for the first-line treatment of HER2+ recurrent or metastatic BC.

- In November 2024, the research updates of a phase I/II clinical trial of JSKN033 for the treatment of HER2-expressing advanced or metastatic solid tumors, have been presented for the first time as a poster in the Late-Breaking Abstract session at the 2024 annual meeting of the Society for Immunotherapy of Cancer.

- In November 2024, our Company was granted "2024 Top 100 Chinese Pharmaceutical Innovative Enterprises (2024中國醫藥創新企業100強)" and "2024 China Pharmaceutical Innovative Enterprise Bispecific Antibody Track Top 5 (2024中國醫藥創新企業技術賽道TOP 5)" by *Healthcare Executive (E藥經理人)*, a specialized magazine focusing on the pharmaceutical industry.

- In November 2024, our Company was granted "2024 Top 100 Brand Influence of Chinese Pharmaceutical Enterprise (2024中國藥品企業品牌影響力TOP 100)" by the China Health Culture Association, the China Hospital Association and the National Health Commission of the PRC Health TV Channel (CHTV) at the 2024 Healthy China Communication Conference.

- In December 2024, the results of the phase II clinical trial of KN046 in combination with Axitinib for the treatment of advanced NSCLC were displayed in ESMO Immuno-Oncology Congress 2024, which demonstrated an encouraging efficacy and well tolerated of KN046 plus Axitinib in patients with advanced NSCLC.

- In December 2024, JSKN003 received approval from the CDE to initiate a phase III clinical study with platinum-resistant recurrent epithelial ovarian cancer, primary peritoneal cancer, or fallopian tube cancer. The phase III clinical trial for the treatment of locally advanced unresectable or metastatic HER2-low expressing BC, as well as multiple exploratory phase II trials, are also progressing smoothly.

- In December 2024, we received the investigational new drug ("**IND**") approval from the CDE to conduct the phase I/II clinical trial of JSKN033 in patients with advanced metastatic malignant tumors.

Events after the Reporting Period

After the end of the Reporting Period and up to the date of this announcement, we have continued to make significant progress with respect to our drug pipeline and business operations, including the following milestones and achievements:

- In January 2025, the results for the phase II clinical study of KN026 combined with docetaxel as first-line treatment for HER2+ recurrent or metastatic BC were published in full in *Cancer Communications*.

- In January 2025, the first patient was successfully dosed in the phase I/II clinical trial of JSKN033 for the treatment of advanced metastatic malignant tumors. This trial is part of the pilot program to optimize the regulatory review and approval process for clinical trials of innovative drugs.

- In February 2025, we received approval from the CDE to initiate the phase III clinical trial of JSKN003 in patients with HER2+ BC. It aims to evaluate the efficacy and safety of JSKN003 compared with Trastuzumab emtansine (T-DM1) in patients with HER2+ BC and the first patient was successfully dosed in the same month.

- In February 2025, the first patient was successfully dosed in a phase III clinical trial of JSKN003 for the treatment of platinum-resistant recurrent epithelial ovarian cancer, primary peritoneal cancer, or fallopian tube cancer.

- In February 2025, the results for the phase II clinical study of KN046 combined with lenvatinib for the treatment of advanced unresectable or metastatic hepatocellular carcinoma were published in full in *Nature Communications*.

- In March 2025, JSKN003 was granted breakthrough therapy designation by the CDE for the treatment of platinum-resistant recurrent epithelial ovarian cancer, primary peritoneal cancer, or fallopian tube cancer, not restricted by HER2 expression.

- In March 2025, the IND applications for JSKN016 combined with chemotherapy/immunotherapy/tyrosine kinase inhibitors (TKIs) for first-line and late-line treatment of multiple subgroups of NSCLC were approved by the CDE. Additionally, a phase II clinical trial evaluating the efficacy, safety, and dose optimization of JSKN016 monotherapy in multiple NSCLC subgroups is currently undergoing.

- In March 2025, the IND applications for JSKN016 combined with chemotherapy/immunotherapy for first-line and late-line treatment of multiple subgroups of non-HER2+ BC were also approved by the CDE. Furthermore, a cohort expansion clinical trial of JSKN016 monotherapy in non-HER2+ BC is undergoing.

- In March 2025, the results for the phase II clinical trial of KN026 combined with KN046 for the treatment of HER2+ solid tumors other than BC were published in full in *Signal Transduction and Targeted Therapy*.

For details of any foregoing, please refer to the rest of this announcement, where applicable, our Company's prior announcements published on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and our Company and prior press releases published on our Company's website.

Overview

We are a leading biopharmaceutical company in China with a fully integrated proprietary technology platform in ADCs, bispecific antibodies and multifunctional protein engineering. Our mission is to deliver world-class innovative therapeutic biologics to treat patients globally by applying our unique drug discovery and development capabilities. We believe these capabilities are demonstrated by our strong R&D track record and supported by our proprietary technologies, platforms and expertise.

Product Pipeline

Our highly differentiated in-house pipeline consists of ADCs, monoclonal antibodies and bispecific antibodies in staggered development status in oncology, including, among others, one product approved for marketing by the NMPA and multiple products in phase III or pivotal clinical trial stages. The following chart summarizes our main product pipeline as of the date of this announcement:

Products	Indications	Combination Therapies	IND	Phase I	Phase II	Pivotal (Phase II/ Phase III)	NDA
KN046 (PD-L1/CTLA-4 bispecific antibody)	1L sq NSCLC	+ chemotherapy					
KN026 (HER2/HER2 bispecific antibody)	≥2L GC/GEJ	+ chemotherapy					
	1L HER2+ BC	+ nab-docetaxel					
	HER2+ Neoadjuvant BC	+ nab-docetaxel					
KN035 (SubQ PD-L1)	≥2L MSI-H/dMMR advanced solid tumors	monotherapy					
	1L biliary track cancer	+ chemotherapy					
	Neoadjuvant/adjuvant therapy NSCLC	+ chemotherapy					
JSKN003 (HER2 biparatopic ADC)	Late -line HER2 -low expression BC	monotherapy					
	PROC	monotherapy					
	≥2L HER2+ BC	monotherapy					
	HER2 -expressing solid tumors	monotherapy					
	1L HER2+ GC/GEJ	+ IO/chemotherapy					
JSKN016 (HER3/TROP2 bispecific antibody ADC)	Lung cancer	monotherapy					
	BC	monotherapy					
	Other advanced solid tumors	monotherapy					
	Lung cancer	Combination therapy					
	BC	Combination therapy					
JSKN033 (subcutaneous co-formulation of JSKN003 and KN035)	Advanced solid tumors[1]	monotherapy					
	Advanced solid tumors	monotherapy					

Note:

1. This trial is undergoing in Australia.

The depth and breadth of our in-house R&D and manufacturing capabilities are demonstrated by the following: (i) structure-guided protein engineering capability to develop protein building blocks in various formats, including single domain antibody ("**sdAb**") and engineered proteins; (ii) our in-house developed proprietary platforms including sdAb, CRIB (charge repulsion improved bispecific antibody) platform, glycan-specific conjugation platform, linker-payload platform, subcutaneous high concentration formulation platform and glycan-specific conjugated dual-payload platform; and (iii) state-of-the-art manufacturing capability, to be further strengthened by new facilities with an expected capacity of over 40,000L, designed and built to meet the current good manufacturing practice standards of the NMPA, the European Medicines Agency and the United States (the "**U.S.**") Food and Drug Administration (the "**FDA**"). Meanwhile, a new production plant for drug substances and preparations of ADCs based on existing production capacity is scheduled to commence operation.

Cautionary Statement required by Rule 18A.08(3) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"): We cannot guarantee that we will be able to develop and/or ultimately market our core products successfully. The shareholders (the "**Shareholders**") and potential investors of our Company are advised to exercise due care when dealing in the shares of our Company (the "**Shares**").

Future Development

We will continue to strive for delivering world-class innovative therapeutic biologics to treat patients globally by applying our unique drug discovery and development capabilities. Leveraging our strong in-house R&D capabilities and technology platforms, we will discover, validate and select lead candidates to enrich our early-stage pipeline with a focus on ADCs. We will also continue to optimize our manufacturing process and technologies to enhance product quality and reduce the costs. To maximize the commercial value of our assets with global rights, we will also continue to actively seek for more strategic collaboration opportunities, such as co-development, collaboration in combination development, and out-licensing.

FINANCIAL REVIEW

Overview

We recorded total revenue of RMB640.1 million for the year ended December 31, 2024, as compared with RMB218.8 million for the year ended December 31, 2023, and recorded total cost of sales of RMB60.3 million for the year ended December 31, 2024, as compared with RMB55.2 million for the year ended December 31, 2023. For the year ended December 31, 2024, our Group recorded other income of RMB62.0 million, as compared with RMB91.8 million for the year ended December 31, 2023. We recorded other gains of RMB13.2 million for the year ended December 31, 2024, as compared to RMB33.1 million for the year ended December 31, 2023. Our total comprehensive income amounted to RMB166.3 million for the year ended December 31, 2024, as compared with the total comprehensive expense of RMB211.4 million for the year ended December 31, 2023. The R&D expenses of our Group amounted to RMB404.2 million for the year ended December 31, 2024, as compared with RMB407.5 million for the year ended December 31, 2023. The administrative expenses amounted to RMB74.6 million for the year ended December 31, 2024, as compared with RMB79.3 million for the year ended December 31, 2023. The finance costs amounted to RMB9.9 million for the year ended December 31, 2024, as compared with RMB12.2 million for the year ended December 31, 2023.

Revenue

We recorded total revenue of RMB640.1 million for the year ended December 31, 2024, as compared with RMB218.8 million for the year ended December 31, 2023. Our Group mainly generated revenue from (i) sales of pharmaceutical products and royalty income; (ii) license fee income; (iii) provision of goods and consumables for R&D projects; and (iv) service income. The following table sets forth the components of the revenue from contracts with customers for the years presented:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Time of revenue recognition		
A point in time		
Sales of pharmaceutical products and royalty income	**159,457**	195,551
License fee income	**464,240**	7,202
Provision of goods and consumables for R&D projects	**10,302**	14,722
Service income	**4,208**	426
	638,207	217,901
Overtime		
License fee income	**1,876**	873
	640,083	218,774

We recorded sales of pharmaceutical products and royalty income from 3D Medicines (Sichuan) Co., Ltd. (四川思路康瑞藥業有限公司) ("**3D Medicines (Sichuan)**"), which amounted to RMB159.5 million for the year ended December 31, 2024, as compared with RMB195.6 million for the year ended December 31, 2023. Our Group and 3D Medicines entered into a licensing agreement in February 2016 for the joint development and commercialization of KN035. For the year ended December 31, 2024, revenue from the sales of KN035 product to 3D Medicines (Sichuan) amounted to RMB122.5 million, as compared with RMB128.4 million for the year ended December 31, 2023. Such revenue is recognized by our Group when the goods are delivered and the control of the goods has been transferred. For the year ended December 31, 2024, our Group also recognized revenue of RMB37.0 million (2023: RMB67.2 million) for sales-based royalty fees generated from licensing KN035 intellectual property under a supplementary agreement entered into between our Group, 3D Medicines and 3D Medicines (Sichuan) in December 2021.

Our Group's license fee income (recognized at a point in time) was RMB464.2 million for the year ended December 31, 2024 (2023: RMB7.2 million). The significant increase was mainly attributable to the collaborative and licensing agreements we entered into for the year ended December 31, 2024. Please refer to our Company's announcements dated January 25, 2024, June 5, 2024 and September 29, 2024 for further details.

For the year ended December 31, 2024, our Group recognized license fee income (recognized overtime) of RMB1.9 million on co-development and commercialization of KN035 (2023: RMB0.9 million), primarily representing the recognition of revenue amortization from a non-refundable upfront payment under our collaboration with 3D Medicines upon the commencement of commercialization of KN035 in November 2021.

For the year ended December 31, 2024, our Group recognized service income of RMB4.2 million (2023: RMB0.4 million), primarily representing the recognition of service delivered to the customers by our Group.

In addition, we continue to provide goods and consumables for customers to conduct clinical trials as well. Such revenue is recognized when control of the goods has been transferred, being when the goods have been delivered to the customer's specific location. For the year ended December 31, 2024, we recorded revenue of RMB10.3 million (2023: RMB14.7 million) for the provision of goods and consumables for R&D projects.

Cost of Sales

Our Group's cost of sales primarily consisted of cost of direct labor, manufacturing cost and raw material and manufacturing overhead related to the production of the product sold. For the year ended December 31, 2024, our Group recorded cost of sales of RMB60.3 million (2023: RMB55.2 million) primarily attributable to cost of sales of pharmaceutical products of RMB56.0 million (2023: RMB51.3 million), and cost of provision of goods and consumables for R&D projects of RMB4.3 million (2023: RMB3.9 million). The increase in our Group's costs of sales for the year ended December 31, 2024 was generally in line with the growth of our Group's revenue in the same year.

Other Income

Our Group's other income primarily consisted of interest income and government grants income.

For the year ended December 31, 2024, our Group's other income decreased by RMB29.8 million to RMB62.0 million, as compared to RMB91.8 million for the year ended December 31, 2023. Our interest income decreased from RMB74.0 million for the year ended December 31, 2023 to RMB49.3 million for the year ended December 31, 2024, primarily because the decrease in U.S. dollar deposits and the lower interest rates. Our government grants income decreased from RMB17.8 million for the year ended December 31, 2023 to RMB12.8 million for the year ended December 31, 2024, primarily due to a reduction in the number of new projects applying for government grants.

Other Gains

Our Group's other gains primarily consisted of net exchange gains.

For the year ended December 31, 2024, we recorded RMB13.2 million of other gains, as compared to RMB33.1 million for the year ended December 31, 2023. The decrease was primarily attributable to a lower unrealized net foreign exchange gain, driven by a reduced strengthening of certain major currencies, particularly the U.S. dollar, against the RMB.

R&D Expenses

Our Group's R&D expenses primarily comprised of (i) third-party contracting costs related to services provided by contract research organizations, contract manufacturing organizations, clinical trial sites, consultants and other service providers during the R&D of our pipeline products; (ii) staff costs for our R&D staff, including salary, bonus and equity incentives; (iii) raw materials costs in relation to the R&D of our drug candidates; (iv) office rental costs, utilities and depreciation and amortization; and (v) other miscellaneous expenses, which primarily include expenses for patent application registration services and logistics expenses of drug samples for clinical trials.

For the year ended December 31, 2024, our R&D expenses remained relatively stable at RMB404.2 million, as compared to RMB407.5 million for the year ended December 31, 2023. The following table sets forth the breakdown of our R&D expenses by nature for the years indicated.

	For the year ended December 31,			
	2024		2023	
	(RMB in thousands, except percentages)			
Outsourcing service fees	**109,051**	**27.0%**	136,990	33.6%
Staff costs	**132,510**	**32.8%**	129,831	31.9%
Raw material costs	**73,273**	**18.1%**	55,478	13.6%
Office rental costs, utilities, and depreciation and amortization	**70,612**	**17.5%**	66,400	16.3%
Others	**18,706**	**4.6%**	18,825	4.6%
Total	**404,152**	**100.0%**	407,524	100.0%

Administrative Expenses

Our Group's administrative expenses primarily comprised of staff costs for our administrative staff, including salary, bonus and equity incentives.

Our administrative expenses remained relatively stable at RMB74.6 million for the year ended December 31, 2024, as compared to RMB79.3 million for the year ended December 31, 2023.

Finance Costs

Our Group's finance costs primarily comprised of interest expenses on (i) bank borrowings, (ii) contract liabilities and (iii) lease liabilities related to our leases of office premises, R&D facilities and manufacturing facilities.

Our finance costs decreased to RMB9.9 million for the year ended December 31, 2024, as compared to RMB12.2 million for the year ended December 31, 2023, primarily due to (i) the change of the amount of working capital borrowings, and (ii) the decrease in the interest rate of borrowings.

Income Tax Expenses

We had unused tax losses of RMB3,489.1 million available for set off against future profits as of December 31, 2024, as compared to RMB3,315.6 million for the year ended December 31, 2023. No deferred tax asset has been recognized in respect of the unused tax losses due to the unpredictability of future profit streams.

For the years ended December 31, 2023 and 2024, we did not incur any income tax expenses.

Profit (Loss) for the Year

As a result of the above factors, our Company recorded a profit of RMB166.3 million for the year ended December 31, 2024, as compared to a loss of RMB210.6 million for the year ended December 31, 2023.

Property, Plant and Equipment

Property, plant and equipment primarily consisted of our manufacturing facilities, R&D center and office premises.

Our property, plant and equipment decreased by RMB50.1 million to RMB500.0 million as of December 31, 2024, as compared to RMB550.1 million as of December 31, 2023, primarily because of normal depreciation of property, plant and equipment.

Right-of-use Assets

Under International Financial Reporting Standards ("**IFRS**") 16, we recognize right-of-use assets with respect to our property leases. Our right-of-use assets are depreciated over the lease term or the useful life of the underlying asset, whichever is shorter.

Our right-of-use assets decreased by RMB2.9 million to RMB24.0 million as of December 31, 2024, as compared to RMB26.9 million as of December 31, 2023, primarily due to normal amortization.

Inventories

Our Group's inventories consisted of raw materials and other consumables used in the R&D of our drug candidates, work in progress and finished goods.

Our inventories remained relatively stable at RMB81.8 million as of December 31, 2024, as compared to RMB78.7 million as of December 31, 2023.

Trade Receivables

Our Group's trade receivables primarily consisted of our trade receivables with contracts with customers.

Our trade receivables as of December 31, 2024 amounted to RMB16.5 million, as compared to RMB7.1 million as of December 31, 2023, primarily due to the increase in the royalty income during the forth quarter of 2024.

Amount Due from a Related Company

As of December 31, 2024, our amount due from a related company, Suzhou Alphamab Co., Ltd. (蘇州康寧傑瑞生物科技有限公司) ("**Suzhou Alphamab**"), was RMB3.8 million (2023: Nil), representing receivables arising from technical services provided to Suzhou Alphamab.

Other Receivables, Deposits and Prepayments

Our Group's other receivables, deposits and prepayments primarily consisted of (i) other receivables, deposits and prepayments mainly related to prepayments made in connection with our purchase of raw materials and payments to contract research organizations and other third parties for services relating to our clinical trials; (ii) deposits and interest receivables mainly related to our time deposits; and (iii) value-added tax ("**VAT**") recoverable in connection with the procurement of raw materials, third-party services for our R&D activities, machinery and equipment for our new manufacturing facilities, which can offset the VAT to be incurred upon commercialization.

Our other receivables, deposits and prepayments decreased by RMB26.9 million to RMB39.6 million as of December 31, 2024, as compared to RMB66.5 million as of December 31, 2023, primarily due to the receipt of certain interest payments and decrease in receivables for the interest income and prepayments for services relating to clinical trials.

Cash and Cash Equivalents and Time Deposits with Original Maturity Over Three Months

Our cash and cash equivalents mainly consisted of (i) cash at banks and on hand and (ii) time deposits with original maturity less than three months.

Our cash and cash equivalents increased from RMB1,086.0 million as of December 31, 2023 to RMB1,112.1 million as of December 31, 2024, and our time deposits with original maturity over three months increased from RMB321.2 million as of December 31, 2023 to RMB459.3 million as of December 31, 2024.

Trade and Other Payables

Our Group's trade and other payables primarily consisted of accrued R&D expenses and staff costs, which largely relate to our clinical studies. Our trade and other payables also consisted of payables for the construction of new facilities and the procurement of equipment and machinery for these new facilities.

Our trade and other payables remained relatively stable at RMB180.8 million as of December 31, 2024, as compared to RMB175.1 million as of December 31, 2023.

Amount Due to a Related Company

Our amount due to Suzhou Alphamab decreased from RMB4.4 million as of December 31, 2023 to RMB3.1 million as of December 31, 2024, primarily due to our payment for the process development service fees to Suzhou Alphamab.

Lease Liabilities

Our Group's lease liabilities are in relation to the properties we leased for our R&D activities and our office premises. We recognize lease liabilities with respect to all lease agreements in which we are the lessee, except for short term leases and leases of low value assets. For these leases, we generally recognize the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease liability is initially measured at present value that are not paid at the commencement date of the lease and subsequently adjusted by interest accretion and lease payments.

Our lease liabilities decreased from RMB7.1 million as of December 31, 2023 to RMB3.7 million as of December 31, 2024, primarily due to our timely payment of rents.

Contract Liabilities

We recorded contract liabilities of RMB25.5 million and RMB40.1 million as of December 31, 2023 and December 31, 2024, respectively. Our contract liabilities primarily represent amounts received in advance for the provision of goods and consumables related to R&D, co-development, and the commercialization of drug candidates. Such amounts are subject to adjustment for the effects of the time value of money at a discount rate of 2.67% to 4.35% (2023: 3.70% to 4.35%) per annum, taking into consideration of the credit characteristics of our Group.

Liquidity and Source of Funding

Our primary uses of cash were to fund our clinical trials, manufacturing, purchase of equipment and raw materials and other expenses. During the year ended December 31, 2024, we primarily funded our working capital requirements through proceeds from the Global Offering, the Top-up Placing, sales of our commercialized product, pre-IPO financing and bank borrowings at reasonable market rates. Currently, our Group follows a set of funding and treasury policies to manage our capital resources and prevent risks involved. In order to better control and minimize the cost of funds, our Group's treasury activities are centralized, and all cash transactions are dealt through reputable commercial banks. We closely monitor the uses of cash and cash balances and strive to maintain a healthy liquidity for our operations.

As of December 31, 2024, there was a balance of unutilized net proceeds from the Global Offering (as defined in the prospectus dated December 2, 2019 (the "**Prospectus**")), Top-up Placing (as defined below), pre-IPO financing and bank borrowings. For details on the net proceeds from the Global Offering and the Top-up Placing, please refer to the section headed "Use of Net Proceeds from the Global Offering" and "Use of Net Proceeds from the Top-Up Placing" respectively in this announcement.

Our Company believes that it has sufficient funds to satisfy our working capital and capital expenditure requirements for 2025.

Bank Borrowings

As of December 31, 2024, our bank borrowings of RMB182.2 million (as of December 31, 2023: RMB250.0 million) had effective interest rates of 2.54% to 2.67%. As of December 31, 2024, our secured bank borrowings were secured by property and plant of RMB235.6 million and land use rights in our right-of-use assets of RMB20.2 million.

Key Financial Ratios

The following table sets forth the key financial ratios for the years indicated:

	As of December 31,	
	2024	2023
Current ratio[(1)]	**6.74**	5.84
Quick ratio[(2)]	**6.41**	5.55
Gearing ratio[(3)]	**(0.51)**	(0.50)

Notes:

(1) Current ratio represents current assets divided by current liabilities as of the same date.

(2) Quick ratio represents current assets less inventories and divided by current liabilities as of the same date.

(3) Gearing ratio is calculated using interest-bearing borrowings less cash and cash equivalents divided by total equity and multiplied by 100%. For the avoidance of doubt, ratio in brackets represents negative number.

Material Investments

Our Group did not make any material investments during the year ended December 31, 2024. In addition, there is no current plan of our Group for material investments or additions of material capital assets as of the date of this announcement.

Material Acquisitions and Disposals

Our Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures for the year ended December 31, 2024.

Pledge of Assets

As of December 31, 2024, our Group had a total RMB235.6 million of property and plant and RMB20.2 million of land use rights pledged to secure its loans and banking facilities.

Contingent Liabilities

As of December 31, 2024, we did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of our Group that is likely to have a material and adverse effect on our business, financial condition or results of operations.

Foreign Exchange Exposure

During the year ended December 31, 2024, we mainly operated in China and a majority of our transactions were settled in RMB, the functional currency of our Company's primary subsidiaries. As of December 31, 2024, a significant amount of our Group's bank balances and cash was denominated in U.S. dollars. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. Except for certain bank balances and cash, other receivables, trade and other payables, and other financial liabilities denominated in foreign currencies, our Group did not have significant foreign currency exposure from its operations as of December 31, 2024.

Employees and Remuneration

As of December 31, 2024, our Group had 420 employees (2023: 435). The total remuneration cost incurred by our Group for the year ended December 31, 2024 was RMB175.9 million, as compared to RMB189.3 million for the year ended December 31, 2023.

The remuneration package of our employees includes salary, bonus and equity incentives, which are generally determined by their qualifications, industry experience, position and performance. We make contributions to social insurance and housing provident funds as required by the PRC laws and regulations.

Our Company has also adopted Pre-IPO Share Option Plans, Post-IPO Share Option Scheme and Post-IPO Restricted Share Award Scheme to provide incentives for our employees. Please refer to the section headed "Statutory and General Information – D. Pre-IPO Share Option Plans" in Appendix V to the Prospectus and our Company's circulars dated April 22, 2020 and May 21, 2024 for further details.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTES	For the year ended December 31, 2024 RMB'000	2023 RMB'000
Revenue	4	**640,083**	218,774
Cost of sales		**(60,316)**	(55,237)
Gross profit		**579,767**	163,537
Other income	5	**62,023**	91,817
Other gains and losses	6	**13,235**	33,094
R&D expenses	8	**(404,152)**	(407,524)
Administrative expenses		**(74,607)**	(79,338)
Finance costs	7	**(9,924)**	(12,179)
Profit (loss) before taxation		**166,342**	(210,593)
Income tax expense	9	**–**	–
Profit (loss) for the year	10	**166,342**	(210,593)
Other comprehensive expense for the year			
Item that may be reclassified subsequently to profit or loss:			
Exchange loss arising on translation of a foreign operation		**(48)**	(794)
Total comprehensive income (expense) for the year		**166,294**	(211,387)
Earnings (loss) per share in RMB	11		
– Basic		**0.17**	(0.22)
– Diluted		**0.17**	(0.22)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	As of December 31, 2024 RMB'000	2023 RMB'000
Non-current assets			
Property, plant and equipment	12	**499,994**	550,052
Right-of-use assets	13	**24,017**	26,901
Deposits paid for acquisition of property, plant and equipment		**4,574**	579
Other receivables, deposits and prepayments	16	**1,821**	1,051
		530,406	578,583
Current assets			
Inventories	14	**81,809**	78,747
Trade receivables	15	**16,519**	7,131
Other receivables, deposits and prepayments	16	**37,769**	65,416
Amount due from a related party	17	**3,785**	–
Time deposits with original maturity over three months		**459,345**	321,248
Cash and cash equivalents		**1,112,122**	1,085,988
		1,711,349	1,558,530
Current liabilities			
Trade and other payables	18	**180,788**	175,098
Amount due to a related company	19	**3,068**	4,379
Lease liabilities – current portion		**2,444**	5,498
Contract liabilities – current portion	20	**15,480**	3,879
Bank borrowings – current portion		**52,264**	75,000
Deferred income	21	**–**	2,984
		254,044	266,838
Net current assets		**1,457,305**	1,291,692
Total assets less current liabilities		**1,987,711**	1,870,275

	NOTE	As of December 31, 2024 RMB'000	2023 RMB'000
Non-current liabilities			
Lease liabilities – non-current portion		**1,271**	1,582
Contract liabilities – non-current portion	*20*	**24,574**	21,581
Bank borrowings – non-current portion		**129,982**	175,000
		155,827	198,163
Net assets		**1,831,884**	1,672,112
Capital and reserves			
Share capital		**13**	13
Treasury shares		**(9,188)**	–
Reserves		**1,841,059**	1,672,099
Total equity		**1,831,884**	1,672,112

NOTES：

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on March 28, 2018 under the Companies Law of the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange since December 12, 2019. The addresses of the registered office and principal place of business of the Company will be disclosed in the corporate information section to the Company's annual report for the year ended December 31, 2024.

The Company is an investment holding company. The Group is principally engaged in R&D, manufacturing and commercialization of biologics of oncology.

The consolidated financial statements are presented in RMB, which is also the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

New and amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to IFRSs issued by the International Accounting Standards Board (the "**IASB**") for the first time, which are mandatorily effective for the annual period beginning on or after January 1, 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the above new and amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to IFRSs in issue but not yet effective

The Group has not early applied the following amendments to IFRSs that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[3]
Amendments to IAS 21	Lack of Exchangeability[2]
IFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after January 1, 2025.
3 Effective for annual periods beginning on or after January 1, 2026.
4 Effective for annual periods beginning on or after January 1, 2027.

The Directors anticipate that the application of all of the above amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance.

The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue

The Group derives its revenue from contracts with customers in relation to the transfer of goods and services over time and at a point in time, as follows:

	2024	2023
	RMB'000	*RMB'000*
Time of revenue recognition		
A point in time		
Sales of pharmaceutical products and royalty income	**159,457**	195,551
License fee income	**464,240**	7,202
Provision of goods and consumables for R&D projects	**10,302**	14,722
Service income	**4,208**	426
	638,207	217,901
Overtime		
License fee income	**1,876**	873
	640,083	218,774

Segment information

For the purposes of resources allocation and performance assessment, the executive directors of the Company, being the chief operating decision makers, review the consolidated results and financial position when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment and no further analysis of this single segment is presented.

Geographical information

Substantially all of the Group's non-current assets are substantially located in the PRC, substantially all of the Group's revenue from continuing operations from external customers is substantially based on the PRC, accordingly, no analysis of the operations of its external customers' geographical segment is presented.

(i) Disaggregation of revenue from contracts with customers

Revenue from customers contributing over 10% of the total revenue of the Group is as follows:

	2024	2023
	RMB'000	*RMB'000*
Customer A *(Note i)*	**159,457**	195,864
Customer B *(Note ii)*	**389,552**	9,375

Notes:

(i) The revenue represents sales of pharmaceutical products and royalty income amounted to RMB159,457,000 (2023: RMB195,551,000) and service income amounted to Nil (2023: RMB313,000) for the year ended December 31, 2024.

(ii) The revenue represents license fee income amounted to RMB383,965,000 (2023: RMB7,202,000) and provision of goods/consumables for R&D projects amounted to RMB5,587,000 (2023: RMB2,173,000) for the year ended December 31, 2024.

(ii) Performance obligations for contracts with customers and revenue recognition policies

(a) License fee income:

A point in time

The Group provides license of its patented intellectual property ("**IP**") to customers. License fee income is recognized at a point in time when the Group has transferred the license to the customers and the customers have the practical ability to use the license.

Over time

The Group entered into collaboration agreements and was entitled an exclusive right to manufacture and supply product to customer for their further commercialization to ultimate customers. Upfront fee received are recorded under contract liabilities. The Group transfers the contract liabilities to license fee income over time on a systematic basis that is consistent with the customer receives and consumes the benefits.

For contracts that contain variable consideration in relation to milestone payment and sales-based royalty from license agreement, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which best predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Notwithstanding the above criteria, the Group shall recognize revenue for a sales-based royalty promised in exchange for a license of IP only when (or as) the later of the following events occurs:

- the subsequent sale occurs; and
- the performance obligation to which some or all of the sales-based royalty has been allocated has been satisfied (or partially satisfied).

(b) Sales of pharmaceutical products and Royalty income:

For the sale of pharmaceutical products, revenue is recognized when control of the goods has transferred, being when the goods have been delivered to the customer's specific location. Following the delivery, the customer bears the risks of obsolescence and loss in relation to the goods. Under the Group's standard contract terms, the customer can request return or refund of the goods only if the goods delivered do not meet required quality standards. Full prepayments are normally required before any goods delivery.

For sales-based royalty promised in exchange of license of IP, the fees are agreed in the contract based on a specified formula and invoiced on quarterly basis with a normal credit term of 30 days.

(c) Provision of goods/consumables for R&D projects:

For the provision of goods/consumables for R&D project, revenue is recognized when control of the goods has transferred, being when the goods have been delivered and acknowledged by the customer.

(d) Service income:

The Group provides R&D services and other services ("**Services**"), revenue is recognized at a point in time for the Services delivered to the customers by the Group, since the terms of the relevant sales contracts do not create an enforceable right to payment for the Group. The normal credit term is 45-60 days (2023: 30 days) upon issuance of invoices.

5. OTHER INCOME

	2024	2023
	RMB'000	*RMB'000*
Interest income	**49,255**	74,042
Government grants income *(Note)*	**12,768**	17,775
	62,023	91,817

Note: Government grants income mainly includes subsidies from the PRC local government in support of oncology drug development. Out of which RMB2,984,000 (2023: RMB2,232,000) is released from deferred income upon compliance with the attached conditions and RMB9,784,000 (2023: RMB15,543,000) is received unconditionally from the government.

6. OTHER GAINS AND LOSSES

	2024	2023
	RMB'000	*RMB'000*
Exchange gains, net	**13,446**	33,189
Others	**(211)**	(95)
	13,235	33,094

7. FINANCE COSTS

	2024	2023
	RMB'000	*RMB'000*
Interest expenses on:		
Bank borrowings	**8,310**	10,650
Contract liabilities	**736**	984
Lease liabilities	**878**	545
	9,924	12,179

8. R&D EXPENSES

	2024	2023
	RMB'000	*RMB'000*
Outsourcing service fees	**109,051**	136,990
Staff costs	**132,510**	129,831
Raw material costs	**73,273**	55,478
Office rental costs, utilities, and depreciation and amortization	**70,612**	66,400
Others	**18,706**	18,825
	404,152	407,524

9. INCOME TAX EXPENSE

The Company is exempted from taxation under the laws of the Cayman Islands.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC entities is 25% (2023: 25%). In addition, Jiangsu Alphamab has been accredited as a "High and New Technology Enterprise" ("**HNTE**") by the Science and Technology Bureau of Jiangsu Province and relevant authorities on October 18, 2022 for a term of three years from 2022 to 2024, and has been registered with the local tax authorities for enjoying the reduced 15% EIT rate. The qualification as a High and New Technology Enterprise will be subject to review by the relevant tax authorities in the PRC for every three years. In addition, pursuant to Caishui 2018 circular No. 76, for entity accredited as a HNTE, the unused tax losses incurred in the previous five years can be carried forward for a maximum of ten years.

Under the Treasury Law Amendment (Enterprise Tax Plan Base Rate Entities) Bill 2017 of Australia, corporate entities who qualify as a small business entity are eligible for a lower corporate tax rate at 26%. Alphamab Australia is qualified as a small business entity and is subject to a corporate tax rate of 26% (2023: 26%).

Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the U.S. Tax Cuts and Jobs Act, the U.S. corporate income tax is charged at a rate of 21%.

No provision for income taxation has been made as the Company and its subsidiaries either had no assessable profit or incurred tax losses in all relevant places of operation for both years.

10. PROFIT (LOSS) FOR THE YEAR

	2024	2023
	RMB'000	*RMB'000*
Profit (loss) for the year has been arrived at after charging (crediting):		
Directors' remuneration	**13,380**	11,836
Other staff costs:		
Salaries and other allowances	**119,788**	126,464
Performance related bonus	**13,263**	18,147
Retirement benefits scheme contributions	**29,203**	28,067
Share-based payment expenses	**233**	4,796
Total staff costs	**175,867**	189,310
Capitalized in inventories	**(6,977)**	(5,780)
	168,890	183,530
Auditor's remuneration	**1,767**	1,877
Depreciation of property, plant and equipment	**64,349**	55,784
Depreciation of right-of-use assets	**12,682**	13,334
Cost of inventories recognized as an expense	**73,273**	55,478

11. EARNINGS (LOSS) PER SHARE

The calculations of the basic and diluted loss per share are based on the following data:

	2024	2023
	RMB'000	*RMB'000*
Earnings (Loss):		
Earnings (loss) for the year attributable to owners of the Company for the purposes of calculating basic and diluted earnings (loss) per share	**166,342**	(210,593)
Number of shares ('000):		
Weighted average number of shares for the purposes of basic earnings (loss) per share	**962,263**	959,899
Effect of dilutive potential ordinary shares:		
Restricted shares under share award scheme	**1,059**	–
Equity-settled share option scheme	**20,864**	–
Weighted average number of shares for the purposes of diluted earnings (loss) per share	**984,186**	959,899

The calculation of basic and diluted loss per share for the years ended December 31, 2023, has not considered, where appropriate, the share options awarded under the pre-IPO share option scheme, the share options awarded under the post-IPO share option scheme, and the restricted shares that have not yet been vested as their inclusion would be anti-dilutive.

12. PROPERTY, PLANT AND EQUIPMENT

	Buildings *RMB'000*	Plant and machinery *RMB'000*	Leasehold improvements *RMB'000*	Furniture and other equipment *RMB'000*	Construction in Progress ("CIP") *RMB'000*	Total *RMB'000*
COST						
As at January 1, 2023	285,284	204,529	6,746	81,773	90,827	669,159
Additions	–	–	–	–	26,924	26,924
Transfer	18,221	91,694	–	6,942	(116,857)	–
Disposal	–	(122)	(491)	–	–	(613)
As at December 31, 2023	303,505	296,101	6,255	88,715	894	695,470
Additions	–	–	–	101	14,655	14,756
Transfer	–	4,104	–	4,034	(8,138)	–
Disposal	–	(485)	–	(260)	–	(745)
Reclassification	(5,308)	–	–	5,308	–	–
As at December 31, 2024	**298,197**	**299,720**	**6,255**	**97,898**	**7,411**	**709,481**
DEPRECIATION						
As at January 1, 2023	34,472	27,043	1,289	27,347	–	90,151
Provided for the year	13,618	23,913	1,514	16,739	–	55,784
Disposal	–	(26)	(491)	–	–	(517)
As at December 31, 2023	48,090	50,930	2,312	44,086	–	145,418
Provided for the year	14,884	28,090	3,943	17,432	–	64,349
Disposal	–	(97)	–	(183)	–	(280)
Reclassification	(336)	–	–	336	–	–
As at December 31, 2024	**62,638**	**78,923**	**6,255**	**61,671**	**–**	**209,487**
CARRYING VALUES						
As at December 31, 2024	**235,559**	**220,797**	**–**	**36,227**	**7,411**	**499,994**
As at December 31, 2023	255,415	245,171	3,943	44,629	894	550,052

The above items of property, plant and equipment other than CIP are depreciated over their estimated useful lives, using straight-line method after taking into account the residual values, at the following rates per annum or over the following period:

Buildings	4.75%
Plant and machinery	9.50%
Leasehold improvements	Over the shorter of the term of the relevant lease or 20%
Furniture and other equipment	19% to 31.67%

13. RIGHT-OF-USE ASSETS

	Land use rights *RMB'000*	Property, plant and equipment *RMB'000*	Total *RMB'000*
As at January 1, 2023			
Carrying amounts	21,185	19,550	40,735
As at December 31, 2023			
Carrying amounts	20,691	6,210	26,901
As at December 31, 2024			
Carrying amounts	20,196	3,821	24,017
For the year ended December 31, 2023			
Depreciation charge	494	12,840	13,334
For the year ended December 31, 2024			
Depreciation charge	**495**	**12,187**	**12,682**

	2024 ***RMB'000***	2023 *RMB'000*
Expense relating to short-term leases	**369**	102
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	**133**	123
Total cash outflow for leases *(Note)*	**14,310**	13,662
Additions to right-of-use assets	**9,798**	4,580

Note: The total cash outflows for leases amounted to RMB14,310,000 (2023: RMB13,662,000) (including short-term leases) for the year ended December 31, 2024, out of which RMB10,906,000 (2023: RMB10,067,000) was paid to Suzhou Alphamab.

The Group leased various property, plant and equipment to operate its R&D activities. The lease term is 3 years for both years. The lease agreements did not contain any contingent rent nor any extension or purchase option for the Group as a lessee. The lease agreements also do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Included in property, plant and equipment of the right-of-use assets are i) offices of RMB3,821,000 (2023: RMB3,813,000) and ii) plant and equipment of Nil (2023: RMB2,397,000). In addition, lease liabilities of RMB9,565,000 (2023: RMB4,580,000) are recognized with related right-of-use assets of RMB9,798,000 (2023: RMB4,580,000) during the year ended December 31, 2024.

In addition, the Group owns several industrial buildings where its manufacturing facilities are primarily located and office buildings. The Group is the registered owner of these property interests, including the underlying leasehold lands. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately as the payments made can be allocated reliably.

As at December 31, 2023 and 2024, all right-of-use assets are located in the PRC.

14. INVENTORIES

	2024	2023
	RMB'000	*RMB'000*
Raw materials and other consumables	**41,662**	45,079
Work in progress	**34,204**	25,998
Finished goods	**5,943**	7,670
	81,809	78,747

15. TRADE RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables with contracts with customers	**16,519**	7,131

As at January 1, 2023, trade receivables from contracts with customers amounted to RMB15,490,000.

The following is an ageing analysis of trade receivables, mainly representing the royalty fee, presented based on the date when the Group obtains the unconditional rights for payment at the end of the Reporting Period.

	2024	2023
	RMB'000	*RMB'000*
0 – 60 days	**16,519**	7,131

As at December 31, 2024, none of the Group's trade receivables are past due as at the end of the Reporting Period.

16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024	2023
	RMB'000	*RMB'000*
Deposits	**827**	1,047
Interest receivables	**5,079**	23,694
Prepayments	**26,347**	33,871
Other receivables	**788**	416
Value-added tax recoverable	**6,549**	7,439
Total	**39,590**	66,467
Presented as non-current assets *(Note)*	**1,821**	1,051
Presented as current assets	**37,769**	65,416
	39,590	66,467

Note: The balance mainly represents a portion of value-added tax recoverable that is not expected to be recoverable within the next 12 months from the end of the Reporting Period and is therefore presented as non-current assets.

17. AMOUNT DUE FROM A RELATED PARTY

	2024	2023
	RMB'000	*RMB'000*
Suzhou Alphamab	**3,785**	–

The balance is unsecured and interest-free. The Group normally offers 45 days credit term for the trades with Suzhou Alphamab.

18. TRADE AND OTHER PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables	**39,222**	27,163
Accrued expenses		
– Outsourcing service fees	**85,566**	85,601
– Staff costs	**25,897**	26,157
– Interest payable	**148**	187
– Others	**7,320**	7,943
	118,931	119,888
Payables for acquisition of property, plant and equipment	**10,918**	13,704
Other payables	**11,717**	14,343
Total	**180,788**	175,098

The average credit period of trade payables ranged from 30 to 60 days.

The following is an ageing analysis of trade payables presented based on the invoice dates at the end of Reporting Period:

	2024	2023
	RMB'000	*RMB'000*
0 – 90 days	**39,222**	27,163

19. AMOUNT DUE TO A RELATED COMPANY

The following is an ageing analysis of the trade payable to Suzhou Alphamab:

	2024	2023
	RMB'000	*RMB'000*
0 – 90 days	**3,068**	–
Over 90 days	**–**	4,379

The balance is unsecured, interest-free and has no fixed repayment terms.

20. CONTRACT LIABILITIES

	2024	2023
	RMB'000	*RMB'000*
Amounts received in advance for:		
provision of goods and consumables for R&D/co-development and commercialization of a drug candidate	**40,054**	25,460
Analyzed for reporting purposes as:		
Current *(Note ii)*	**15,480**	3,879
Non-current *(Note iii)*	**24,574**	21,581
	40,054	25,460

Notes:

(i) As at January 1, 2023, contract liabilities amounted to RMB27,522,000.

(ii) The directors of the Company expected the performance obligation of the related contracts will be fully satisfied within twelve months from the end of the reporting period. Therefore, the amounts were classified as current liabilities.

(iii) The directors of the Company expected the performance obligation of the related contracts will not be fully satisfied within twelve months from the end of the reporting period. Therefore, the amounts were classified as non-current liabilities. The discount rates applied for the contract liabilities during the year ranged from 2.67% to 4.35% (2023: 3.70% to 4.35%).

21. DEFERRED INCOME

	2024	2023
	RMB'000	*RMB'000*
Income related government grants	**–**	2,984

Movements of government grants:

	Total
	RMB'000
As at January 1, 2023	5,216
Amortized to profit or loss	(2,232)
As at January 1, 2024	2,984
Amortized to profit or loss	(2,984)
As at December 31, 2024	–

22. DIVIDENDS

No dividend was paid or proposed for the shareholders of the Company during the year ended December 31, 2024 (2023: Nil), nor has any dividend been proposed since the end of the Reporting Period and up to the date of this announcement.

FINAL DIVIDEND

The Board did not recommend the distribution of a final dividend for the year ended December 31, 2024 (2023: Nil).

CORPORATE GOVERNANCE AND OTHER INFORMATION

Our Company was incorporated in the Cayman Islands on March 28, 2018 as an exempted limited liability company under the laws of the Cayman Islands. The Shares of our Company were listed on the Main Board of the Stock Exchange on December 12, 2019.

Compliance with the Corporate Governance Code

Our Company strives to achieve high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for our Group to safeguard the interests of Shareholders and to enhance corporate value and accountability.

Our Company has adopted the principles and code provisions of the Corporate Governance Code (the "**Corporate Governance Code**") as set out in Appendix C1 to the Listing Rules as the basis of our Company's corporate governance practices.

For the year ended December 31, 2024, our Company complied with all applicable code provisions set out in the Corporate Governance Code except for the deviations from code provision C.2.1 of the Corporate Governance Code. Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Dr. XU Ting ("**Dr. Xu**") currently serves as the chairman of the Board (the "**Chairman**") and the chief executive officer of our Company. He is the founder of our Group and has been operating and managing our Group since its establishment. The Directors believe that it is beneficial to the business operations and management of our Group that Dr. Xu continues to serve as both the Chairman and the chief executive officer of our Company.

Our Company regularly reviews our compliance with corporate governance codes and the Board believes that save as disclosed above, our Company was in compliance with the applicable code provisions of the Corporate Governance Code for the year ended December 31, 2024.

Our Company will continue to regularly review and monitor our corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices.

Full details of our Company's corporate governance practices will be set out in the forthcoming Company's annual report for the year ended December 31, 2024.

Compliance with the Model Code

Our Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules. Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Model Code during the Reporting Period.

Our Company's relevant employees, who are likely to be in possession of unpublished price-sensitive information ("**Inside Information**") of our Company, have also been subject to the Model Code. No incident of non-compliance of the Model Code by the relevant employees was noted by our Company during the Reporting Period.

Our Company has also established a policy on Inside Information to comply with its obligations under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Listing Rules. In case when our Company is aware of any restricted period for dealings in our Company's securities, our Company will notify Directors and relevant employees in advance.

Purchase, Sale or Redemption of our Company's Listed Securities

On August 15, 2024, the Board resolved to repurchase the Shares of our Company in the open market from time to time up to HK$50.0 million in value, pursuant to the general mandate (the "**Share Repurchase Mandate**") granted to the Directors, approved by the Shareholders at the annual general meeting held on June 12, 2024. Please refer to our Company's announcement dated August 15, 2024 for further details. During the Reporting Period and as of the date of this announcement, our Company had repurchased and held 2,952,000 Shares under the Share Repurchase Mandate as treasury Shares.

Save as disclosed above, neither our Company nor any of our subsidiaries purchased, sold or redeemed any listed securities (including sale of treasury Shares) of our Company during the Reporting Period.

Audit Committee

The Listing Rules require every listed issuer to establish an audit committee comprising at least three members who must be non-executive directors only, and the majority thereof must be independent non-executive directors, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. Our Company has established the Audit Committee and has formulated its written terms of reference, which have from time to time been modified, in accordance with the prevailing provisions of the Corporate Governance Code.

The Audit Committee comprises three independent non-executive Directors, namely Mr. WEI Kevin Cheng, Dr. GUO Zijian and Mr. WU Dong. Mr. WEI Kevin Cheng, being the chairman of the committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules. The principal duties of the Audit Committee include, among others, the review and supervision of our Group's financial information; review of our Group's financial information; review of the relationship with the external auditor of our Company; and performance of the corporate governance functions delegated by the Board.

Our Group's annual results for the year ended December 31, 2024 were reviewed by the Audit Committee and audited by the independent auditor of our Company, Messrs. Deloitte Touche Tohmatsu.

Scope of work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of our Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in the preliminary announcement have been agreed by our Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of our Group for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

Use of Net Proceeds from the Global Offering

Our Company's Shares were listed on the Stock Exchange on December 12, 2019. The net proceeds from the Global Offering amounted to approximately HK$2,042.5 million. As of December 31, 2024, all of the net proceeds of the Global Offering had been utilized as follows:

	Allocation of net proceeds from the Global Offering in the proportion disclosed in the Prospectus		Proceeds from the Global Offering utilized as of December 31, 2024		Proceeds from the Global Offering utilized during the Reporting Period		Amounts not yet utilized as of December 31, 2024	
	HK$ million	*Percentage*	*HK$ million*	*Percentage*	*HK$ million*	*Percentage*	*HK$ million*	*Percentage*
Key drug development programs the R&D and commercialization of KN046								
• the ongoing and planned clinical trials of, and preparation of registration filings for KN046	817.0	40.0%	817.0	40.0%	140.7	43.3%	–	–
• the launch and, subject to regulatory approval, commercialization of KN046	204.3	10.0%	204.3	10.0%	35.2	10.8%	–	–
Subtotal	***1,021.3***	***50.0%***	***1,021.3***	***50.0%***	***175.9***	***54.1%***	**–**	**–**
the R&D and commercialization of KN026								
• the ongoing and planned clinical trials of, and preparation of registration filings for KN026	326.8	16.0%	326.8	16.0%	119.3	36.7%	–	–
• the launch and, subject to regulatory approval, commercialization of KN026	81.7	4.0%	81.7	4.0%	29.8	9.2%	–	–
Subtotal	***408.5***	***20.0%***	***408.5***	***20.0%***	***149.1***	***45.9%***	**–**	**–**
the R&D of KN019	102.1	5.0%	102.1	5.0%	–	–	–	–
Subtotal	***1,531.9***	***75.0%***	***1,531.9***	***75.0%***	***325.0***	***100.0%***	**–**	**–**
The construction of our new manufacturing and R&D facilities in Suzhou	**306.4**	**15.0%**	**306.4**	**15.0%**	**–**	**–**	**–**	**–**
The early-stage pipeline and our working capital and general corporate purposes	**204.3**	**10.0%**	**204.3**	**10.0%**	**–**	**–**	**–**	**–**
Total	**2,042.5**	**100.0%**	**2,042.5**	**100.0%**	**325.0**	**100.0%**	**–**	**–**

The net proceeds have been applied in the manner as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus and there was no change in the intended use of net proceeds as previously disclosed in the Prospectus.

Use of Net Proceeds from the Top-up Placing

In February 2023, our Company entered into a placing and subscription agreement with Rubymab, the top-up vendor, and Jefferies Hong Kong Limited, the placing agent, for the placing of 25,000,000 Shares (aggregate nominal value: US$50) at a price of HK$15.22 per placing Share (net price per placing Share: HK$15.05) to not less than six professional, institutional and/or individual investors (the "**Top-Up Placing**"), and upon completion of the Top-up Placing, we received total net proceeds of approximately HK$376.2 million, net of all applicable costs and expenses including commissions, professional fees and out-of-pocket expenses. The market price of the Shares of our Company on February 3, 2023 (being the date on which the terms of the issue or sale were fixed) was HK$16.14. For details, please refer to our Company's announcements dated February 3, 2023 and February 9, 2023 (the "**Placing Announcements**"). As of December 31, 2024, approximately HK$50.9 million of the net proceeds of the Top-up Placing had been utilized as follows:

	Allocation of net proceeds from the Top-up Placing in the proportion disclosed in the Placing Announcements		Proceeds from the Top-up Placing utilized as of December 31, 2024		Proceeds from the Top-up Placing utilized during the Reporting Period		Amounts not yet utilized as of December 31, 2024	
	HK$ million	*Percentage*	*HK$ million*	*Percentage*	*HK$ million*	*Percentage*	*HK$ million*	*Percentage*
the R&D and commercialization								
• the launch several registered clinical trials of JSKN003	301.0	80.0%	30.4	59.7%	–	–	270.6	83.2%
• the clinical development of JSKN016	37.6	10.0%	8.4	16.5%	–	–	29.2	9.0%
Subtotal	***338.6***	***90.0%***	***38.8***	***76.2%***	**–**	**–**	***299.8***	***92.2%***
Company's general corporate purposes	**37.6**	**10.0%**	**12.1**	**23.8%**	**11.5**	**100.0%**	**25.5**	**7.8%**
Total	**376.2**	**100.0%**	**50.9**	**100.0%**	**11.5**	**100.0%**	**325.3**	**100.0%**

The Directors consider that the Top-up Placing is beneficial to continuously developing our pipeline of candidate ADCs whilst broadening our shareholder base, and could also provide an opportunity to further strengthen our financial position and provide additional working capital to us.

The net proceeds of the Top-up Placing were used and expected to be used according to the intentions previously disclosed in the Placing Announcements and there was no change in the use of proceeds. Our Company expects to utilize the balance of net proceeds of the Top-up Placing by the end of 2025. The expected timeline for utilizing the net proceeds from the Top-up Placing is based on the best estimation of future progress of regulatory approvals and market conditions made by our Company and subject to changes in accordance with relevant clinical development, our actual business operations and markets conditions.

Subsequent Events

Save as disclosed in section headed "Business Highlights – Events after the Reporting Period", the Directors are not aware of any other significant event requiring disclosure that has taken place subsequent to December 31, 2024 and up to the date of this announcement.

Principal Risks and Uncertainties

Our business, financial condition and results of operations could be materially and adversely affected by certain risks and uncertainties. For details, please see the section headed "Risk Factors" of the Prospectus.

ANNUAL GENERAL MEETING

The annual general meeting of our Company (the "**AGM**") is scheduled to be held at 10:00 a.m. on Thursday, June 12, 2025. A circular (including notice convening the AGM) will be published on the respective websites of the Stock Exchange and our Company, and despatched to the Shareholders (if requested) in the manner required by the Listing Rules in due course.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of our Company will be closed from Monday, June 9, 2025 to Thursday, June 12, 2025, both days inclusive, in order to determine the eligibility of the Shareholders to attend and vote at the AGM to be held on Thursday, June 12, 2025. In order to be eligible to attend and vote at the AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Friday, June 6, 2025.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and our Company (www.alphamabonc.com).

The annual report for the year ended December 31, 2024 containing all the information required by Appendix D2 to the Listing Rules will be made available to the Shareholders (if requested) and published on the websites of the Stock Exchange and our Company in April 2025.

APPRECIATION

The Board would like to express its since gratitude to the Shareholders, management team, employees, business partners and customers of our Company for their support and contribution to our Group.

By Order of the Board
Alphamab Oncology
Dr. XU Ting
Chairman and Executive Director

Hong Kong, March 25, 2025

As at the date of this announcement, the Board comprises Dr. XU Ting as the Chairman and executive Director and Ms. LIU Yang as executive Director, Mr. CHO Man as non-executive Director, and Dr. GUO Zijian, Mr. WEI Kevin Cheng and Mr. WU Dong as independent non-executive Directors.