和鉑醫藥控股有限公司

HBM Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02142)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of HBM Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the audited consolidated annual results of the Group for the year ended 31 December 2024 (the "**Reporting Period**"). These annual results have been reviewed by the Company's audit committee (the "**Audit Committee**").

In this announcement, "**we**", "**us**" and "**our**" refer to the Company and where the context otherwise requires, the Group.

FINANCIAL HIGHLIGHTS

	As of 31 December/ For the year ended 31 December	
	2024	2023
	US$ in thousands	*US$ in thousands*
Revenue	**38,100**	89,502
Cost of sales	**(4,486)**	(2,034)
Other income and gains	**11,167**	6,589
Selling expense	**(2,677)**	(1,062)
Research and development expenses	**(20,999)**	(45,081)
Administrative expenses	**(13,171)**	(19,498)
Impairment losses on financial assets, net	**(462)**	(503)
Finance costs	**(3,505)**	(3,872)
Other expenses	**(228)**	(1,359)
Income tax (expense)/credit	**(997)**	81
Profit for the year	**2,742**	22,763
Earnings per share (Basic and diluted) (USD)	**0.00**	0.03
Cash and cash equivalents	**166,821**	140,324
Total assets	**215,014**	228,480
Total liabilities	**90,962**	108,851
Total equity	**124,052**	119,629

BUSINESS HIGHLIGHTS

PROGRESS ON HARBOUR THERAPEUTICS

1. BATOCLIMAB (HBM9161)

The Biologics License Application ("**BLA**") for the treatment of generalized myasthenia gravis ("**gMG**") was accepted by the National Medical Products Administration of China (the "**NMPA**") in July 2024.

2. HBM9378/WIN378

Submitted the Investigational New Drug ("**IND**") application for chronic obstructive pulmonary disease ("**COPD**") to NMPA in November 2024. Approval of the IND was received in February 2025.

Our collaboration partner Windward Bio is preparing for Phase II clinical trial.

3. PORUSTOBART (HBM4003)

Combination with PD-1 for Colorectal Carcinoma ("CRC")

Patient enrolment initiated in January 2024 and completed in December. The clinical trial is ongoing.

4. HBM1020

Presented the latest progress of Phase I clinical trial for advanced solid tumor at the European Society for Medical Oncology ("**ESMO**") Congress 2024.

5. OTHER PRODUCTS

Obtained the IND clearance to commence Phase I trial of HBM9027 for solid tumors from U.S. Food and Drug Administration ("**U.S. FDA**") in January 2024.

BUSINESS DEVELOPMENTS

1. COLLABORATIONS ON ASSETS

a. In May 2024, we entered into a global license and option agreement with AstraZeneca (LSE/STO/Nasdaq: AZN) ("**AZN**"), pursuant to which preclinical monoclonal antibodies that will be used to create targeted therapies in oncology was granted to AZN with an upfront payment of US$19 million upon completion of the transaction, US$10 million near-term milestone payment, and up to US$575 million in milestone payments and tiered royalties on net sales.

b. In December 2024, we entered into a research collaboration and license agreement to discover next-generation T-cell engagers ("**TCEs**") with Candid Therapeutics, Inc. ("**Candid**"). Under the terms of the agreement, Nona Biosciences is eligible to receive upfront payment and potential milestone payments up to $320 million. Candid will be responsible for all further product development.

c. In January 2025, we entered into an exclusive license agreement with Windward Bio, under which we and Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd ("**Kelun-Biotech**") granted Windward Bio an exclusive license of HBM9378/WIN378 globally (excluding Greater China and several Southeast and West Asian countries) with a total up to US$970 million upfront and milestone payments as well as single to double-digit tiered royalties on net sales.

2. PLATFORM-BASED COLLABORATIONS

a. In February 2024, Nona Biosciences (Suzhou) Co., Ltd ("**Nona Biosciences**") entered into a collaboration agreement with Boostimmune, Inc. ("**Boostimmune**"), a biotechnology company dedicated to developing next-generation anti-cancer therapies via modulating immune systems, in Antibody-Drug Conjugate ("**ADC**") development.

b. In July 2024, Nona Biosciences entered into a collaboration agreement with Alaya. bio, a biotechnology company developing a novel polymeric delivery platform, to precisely target and reprogram cells in situ and thus to significantly simplify the way CAR-T cell therapies in particular are being developed, manufactured and administered.

c. In September 2024, Nona Biosciences entered into a multi-target antibody discovery collaboration agreement with Umoja Biopharma, a transformative immunotherapy company creating off-the-shelf treatments that aim to extend the reach and effectiveness of CAR-T cell therapies in oncology and autoimmunity.

d. In September 2024, Nona Biosciences entered into a strategic collaboration agreement with Alkyon Therapeutics, Inc. (AlkyonTx), a San Diego-based biotechnology company, to develop next-generation immunotherapy and other targeted therapy applications, using Nona's Harbour Mice® fully human antibody platform.

e. In October 2024, Nona Biosciences entered into a strategic collaboration agreement with OverT Bio, a New York-based biotechnology company. The collaboration will focus on developing next-generation cell therapies for solid tumors by leveraging Nona's proprietary fully human HCAb Harbour Mice® platform and its innovative direct CAR-function-based HCAb library screening platform, NonaCarFx™.

f. In December 2024, Nona Biosciences entered into a collaboration agreement with Kodiak Sciences Inc. (Nasdaq: KOD). This partnership aims to advance the discovery of novel multi-target antibodies to treat ophthalmic diseases, leveraging Nona's proprietary Harbour Mice® fully human antibody platform.

3. INCUBATION TO ADVANCE CUTTING-EDGE AREAS

a. We advanced the collaboration with Boston Children's Hospital, an affiliate of Harvard Medical School since 2019. In February 2025, HBM Alpha Therapeutics ("**HBMAT**"), a joint venture between the Company and Boston Children's Hospital, announced a strategic collaboration and license agreement with a business partner.

b. We advanced the exploration in NK cell therapy with Shanghai NK Cell Technology Limited ("**NK Cell Tech**") since 2021, pursuant to which the Company granted non-exclusive sublicense of its platforms to NK Cell Tech for specific cell therapy. In November 2024, NK Cell Tech announced that it had completed its A++ round financing which would accelerate the development and clinical process of its pipeline products.

ACADEMIC CONVENTIONS/PUBLICATIONS

a. Published "Batoclimab vs Placebo for Generalized Myasthenia Gravis: A Randomized Clinical Trial" on JAMA Neurology March 2024.

b. Published the Phase I study results in combination of toripalimab in patients with advanced melanoma and other solid tumors on the Journal of ImmunoTherapy of Cancer October 2024.

c. Presented the "Phase I Dose-Escalation Study of HBM1020, a Novel Anti-B7H7 Antibody in Patients with Advanced Solid Tumors" in the European Society for Medical Oncology ("**ESMO**") Congress 2024.

d. Published "High throughput identification of human monoclonal antibodies and heavy-chain-only antibodies to treat snakebite" on Toxicon: X in March 2024.

e. Published "Filamentous fungus-produced human monoclonal antibody provides protection against SARS-CoV-2 in hamster and non-human primate models" on Nature communication in March 2024.

f. Presented the poster "Developing a fully human heavy chain only Claudin-18.2-specific CAR-T cell therapy" at AACR in April 2024.

g. Presented three posters about mRNA-Encoded T Cell Engager for Cancer Immunotherapy, CAR-Based Library Screening Platform, etc, at Immuno-Oncology Summit Europe 2024.

h. Presented the posters about anti-TFR1 human heavy-chain-only antibodies and Blood-Brain Barrier Shuttle Technology in PEGS Boston Summit in May 2024.

i. Published "Generation and preclinical evaluation of a human heavy-chain-only antibody recognizing the membrane-bound tumor-associated antigen mesothelin" Frontiers in Chemical Biology July 2024.

j. Presented the poster "Discovery of T-Cell Receptor Mimic Antibody Derived T-Cell Engager" at 15th World Bispecific Summit in September 2024.

k. Presented the poster "Fully Human Heavy Chain Only Antibodies to BCMA Identified by NonaCarFx™ Platform" at 9th Annual CAR-TCR Summit in September 2024.

For details of the foregoing, please refer to the rest of this announcement and, where applicable, the Company's prior press releases and announcements.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Our vision

Our vision is to deliver "Healthy life•Breakthrough Medicines" in immune oncology and immunological diseases to address current patients' unmet medical needs.

Corporate Profile

Incorporated in July 2016, we are a clinical-stage biopharmaceutical company committed to the discovery, development and commercialization of novel antibody therapeutics in immunology and immuno-oncology.

To realize our vision, we have been partnering with global academic institutions, biotechnology and pharmaceutical companies by leveraging our platforms. We have established a strong track record and portfolio comprising strategically selected co-development clinical assets and internal innovative next-generation projects to address unmet medical needs. We also provide technology licensing for our proprietary Harbour antibody platform to accelerate industry innovation of antibody therapeutics.

Since 2022, we have established two sub-brands, Harbour Therapeutics, focusing on pipeline development, products collaboration and commercialization, and Nona Biosciences, a global biotechnology company providing an Idea-to-IND solution for partners worldwide.

About Harbour Therapeutics

Harbour Therapeutics is committed to the development and commercialization of novel antibody therapeutics focusing on oncology and immunology. We have built a robust portfolio and differentiated pipeline by leveraging our unique antibody technology platforms as well as our biological understanding and industry experience. Our portfolio also consists of strategically selected clinical assets with near-term revenue potential targeting diseases with high unmet needs.

About Nona Biosciences

Our proprietary antibody technology platforms, Harbour Mice®, generate fully human monoclonal antibodies in the classical two heavy and two light chain (H2L2) format, as well as heavy chain only (HCAb) format. Building upon our HCAb antibodies, the HCAb-based immune cell engagers (HBICE®) are capable of delivering tumor killing effects unachievable by combination therapies. Additionally, the HCAb-based bispecific immune cell antagonist (HBICA™) technology empowers the development of innovative biologics for immunological and inflammatory diseases. Integrated with our single B cell cloning platform, our antibody discovery engine is highly productive and efficient in driving the innovation and sustainable growth of the Company.

With a unique leading edge and technological advantage of our technology platform, we established Nona Biosciences in 2022 to better empower the innovators in the industry and enable our collaborators from I to I™ (Idea to IND). Nona Biosciences is a global biotechnology company with an experienced antibody therapeutics discovery team, committed to providing a total solution for partners worldwide, from academies, biotechnology startups to large biopharmaceutical companies. The integrated antibody discovery services range from antigen preparation, animal immunization, single B cell screening, to antibody lead generation and engineering, developability assessment and pharmacological evaluation, leveraging the advantages of Harbour Mice® Platforms.

We believe our versatile business model, based on both Harbour Therapeutics and Nona Biosciences, will maximize our platform value by leveraging the complementary advantages of the Group and our collaborators.

Portfolio

Since our establishment in 2016, we have strategically built robust pipeline focused on immunological and oncology diseases in pre-clinical to late clinical stages. The following table summarizes our product pipeline and the development status of each drug candidate in the areas indicated in the chart at the right column.

Project	Target	Indication	Region	Discovery / Pre-Clinical / IND / Phase I / Phase II / Phase III / BLA	Partner
Inflammatory & Immunology					
FcRn-targeted therapies for Autoimmune Disease					
Batoclimab HBM9161	FcRn	Myasthenia Gravis	Greater China Rights Out-licensed[1]	BLA	CSPC
Type 2 Pathways for Inflammatory & Immunology					
HBM9378[2]	TSLP	Asthma	Greater China	Ph1 Completed	
		COPD	Greater China	IND clearance	
Pathogenic B Cell Depletion for Autoimmune Diseases					
HBM7020[3]	BCMA x CD3	Autoimmune Diseases	Ex-China	IND Enabling	
TCE Program	CD19 x CD3	Autoimmune Diseases	Global		
BsAb Program	Undisclosed	Autoimmune Diseases	Global		
TsAb Program	Undisclosed	Autoimmune Diseases	Global		
Oncology/Immuno-Oncology					
mAb for next-gen IO therapeutics					
Porustobart HBM4003	CTLA-4	Melanoma	Global	Combo with PD-1 Ph 1b/2	
		CRC		Combo with PD-1 Ph 1b/2	
		HCC		Combo with PD-1 Ph 1b/2	
		NEN		Combo with PD-1 Ph 1b/2	
HBM1020	B7H7/HHLA2	Solid Tumors	Global		
HBM1022	CCR8	Solid Tumors	Global	IND clearance	
HBM9014	LIFR	Solid Tumors	Global		Yinuoke
Immune cell Engager for Oncology					
HBM7022	CLDN18.2 x CD3	Solid Tumors	Global Out-license		AstraZeneca
HBM7008	B7H4 x 4-1BB	Solid Tumors	Global		
HBM7020[3]	BCMA x CD3	Hematologic carcinoma	Ex-China	CN IND clearance	
HBM9027	PD-L1 x CD40	Solid Tumors	Global	US/CN IND clearance	
HBM7004	B7H4 x CD3	Solid Tumors	Global		
XDC Platform					
HBM9033	MSLN ADC	Solid Tumors	Global Out-license		Pfizer
ADC Program	Undisclosed	Solid Tumors	Global		
RDC Program	Undisclosed	Solid Tumors	Global		

[1] *HBM in-licensed the Greater China Rights of HBM9161 from HanAll in 2017, and the rights were out-licensed to CSPC in Oct 2022*
[2] *HBM9378 is co-developed with China partner Kelun Biotech. For HBM9378 Harbour BioMed and Kelun Biotech own rights in Greater China, Some Southeast Asian and West Asian countries*
[3] *HBM7020 China rights was out-licensed to HuaLan Biologics in 2020*

Business Review

Robust Portfolio and Differentiated Pipeline

Harbour Therapeutics has a robust and diversified pipeline, and we continued to expand our business collaborations with leading academic institutions and selected industry partners focusing on innovation and efficiency across the world. The co-development and collaboration with industry partners not only reflects the industry recognition, but also helps the Company to leverage resources and enhance efficiency.

During the Reporting Period, Harbour Therapeutics continued to expand our pipeline into Immunology and Inflammation therapeutics, enhance our business collaborations with dedicated strategic partners of global pharmaceuticals and leading biotech companies focusing on innovation and efficiency across the world. The co-development and collaboration with industry partners on the development of our pipeline products not only shows that our products and technology platform were recognized by industry partners but will also help the Company to improve the efficiency of our portfolio advancement, spread the costs and risks, and lead to robust development of the Company.

Products in Clinical Stage

Batoclimab (HBM9161)

Batoclimab is designed as a fully human monoclonal antibody that selectively binds to and inhibits the neonatal fragment crystallizable receptor ("**FcRn**"). FcRn plays a pivotal role in preventing the degradation of Immunoglobulin G ("**IgG**") antibodies. High levels of pathogenic IgG antibodies drive many autoimmune diseases. As a novel, fully human anti-FcRn monoclonal antibody, Batoclimab has the potential to be a breakthrough treatment option for a wide range of autoimmune disease. On 10 October 2022, we entered into a license agreement with CSPC NBP Pharmaceutical Co. Ltd. ("**NBP Pharma**", a wholly owned subsidiary of CSPC Pharmaceutical Group Limited), pursuant to which we granted NBP Pharma an exclusive sublicensable license to develop, manufacture and commercialize batoclimab in Greater China (including Hong Kong, Macau and Taiwan).

Batoclimab was the first anti-FcRn monoclonal antibody completed phase 1 to pivotal trials in China. In early 2023, we completed the treatment of patients and announced the positive topline results of the phase III clinical trial of batoclimab for the treatment of gMG in March, which is also the first positive pivotal trial outcome for batoclimab worldwide. This marks a major milestone as it is the Company's first product to complete phase III clinical trial and be poised for commercialization to benefit the gMG patients. We also initiated Open-Label extension clinical trial for gMG in March 2023. The Open-Label extension was completed in April 2024. These additional data demonstrate the sustained efficacy and safety with long-term use of Batoclimab in treatment of gMG.

In June 2023, NMPA has accepted the BLA of (HBM9161) for the treatment of gMG. This is also the first BLA accepted by NMPA since Harbour BioMed's establishment.

In December 2023, the Company voluntarily planned to include additional long-term safety data and we re-submitted the BLA for batoclimab to the NMPA in June 2024.

In July 2024, NMPA accepted the BLA of (HBM9161) for the treatment of gMG.

We presented the gMG Phase III pivotal clinical trial results on JAMA Neurology in March 2024. Together with the strong Open-Label extension data, we believe these will further optimize the market potential and advance the clinical development of HBM9161.

HBM9378

HBM9378 is a fully human monoclonal antibody against thymic stromal lymphopoietin ("**TSLP**") generated from H2L2 platform, it is a co-development project conducted by the Company and Kelun-Biotech who together equally share the rights. HBM9378 inhibits the TSLP mediated signalling pathway by blocking the interaction between TSLP and TSLP receptor. TSLP plays important roles in DC cell maturation, T helper 2 (Th2) cell polarization and inflammation, particularly in both eosinophilic and non-eosinophilic inflammation asthma. HBM9378 has fully human sequences with less immunogenicity risk and better bioavailability compared to other TSLP target competitors. The long half-life optimization and outstanding biophysical properties support its favourable dosing and formulation advantages.

Within Greater China

We received the IND approval for moderate-to-severe asthma from NMPA in February 2022, and we completed Phase I clinical trial in healthy subjects within China.

In November 2024, we submitted an IND application for COPD to NMPA. The IND was approved by NMPA in February 2025.

Global collaboration with Windward Bio

In January 2025, we entered into an exclusive license agreement with Windward Bio, under which we and Kelun-Biotech granted Windward Bio an exclusive license for the research, development, manufacturing and commercialization of HBM9378/WIN378 globally (excluding Greater China and several Southeast and West Asian countries).

The Company and Kelun-Biotech shared global rights with Windward Bio, and Windward Bio owns the rights in its territory. Windward Bio is preparing for global Phase II clinical trial.

Porustobart (HBM4003)

HBM4003 is a next-generation, fully human anti-CTLA-4 antibody against cytotoxic T-lymphocyte-associated antigen-4 (CTLA-4), one of the major negative regulators of T cell responses. It is also our first internally developed molecule generated on our HCAb platform, which we have advanced from candidate selection to clinical stage within three years. HBM4003 is the first fully human heavy chain only anti CTLA-4 antibody entered into clinical development around the world in history, and has favourable properties compared with conventional anti-CTLA-4 antibodies in pre-clinical settings. Compared with conventional CTLA-4 antibody, HBM4003 has unique, favourable properties including significant Treg cell depletion and optimized pharmacokinetics for improved safety. While increasing the potential to selectively deplete intratumoral Treg cells via enhanced antibody-dependent cellular cytotoxicity (ADCC) strategy, we believe HBM4003 will be able to break the significant immune-suppressive barrier of anti-cancer immunotherapies in solid tumors. HBM4003 has great potential to overcome the efficacy and toxicity bottleneck of the current CTLA-4 therapy and become a core product in cancer immunotherapy.

We have implemented the global development plan for multiple types of solid tumors with adaptive treatment designed for HBM4003. Positive data of efficacy and safety profile have been observed in the monotherapy trial targeting advanced solid tumor, and in trials of combination treatment with PD-1 inhibitor treating for melanoma, CRC, NEN and HCC.

Combination Therapy with PD-1

In January 2024 we initiated patient enrolment for combination with PD-1 inhibitor in trials with advanced colorectal carcinoma. The patient recruitment was completed in December 2024. Of the 23 evaluable patients, the objective response rate (ORR, including 1 unconfirmed PR) and disease control rate (DCR) are 30.4% and 47.8%, respectively.

In October 2024, we published the Phase I study results in combination of toripalimab in patients with advanced melanoma and other solid tumors on the Journal of ImmunoTherapy of Cancer. The objective response rate (ORR) was 33.3% in the anti-PD-1/PD-L1 treatment-naïve subgroup. For patients with mucosal melanoma, the ORR in this anti-PD-1/PD-L1 treatment-naïve subgroup was 40.0%.

Key efficacy and safety data in CRC, HCC, and NEN clinical trials are in the process of publication.

HBM1020

HBM1020 is a first-in-class fully human monoclonal antibody generated from Harbour Mice® Platform targeting B7H7. As a newly discovered member of the B7 family, B7H7 expression is found non-overlapping with PD-L1 expression in multiple tumor types, potentially playing an important role for tumor cells to escape immune surveillance beside PD-L1. HBM1020 is the first product targeting B7H7 in clinical stage globally. With its excellent product design and target features, we believe that HBM1020 has great potential to address huge unmet medical needs on solid tumors treatment, especially in patients with low PD-L1 expression and patients with PD-(L)1 therapy resistant. In May 2023, we initiated Phase I clinical trial in the U.S.

In September 2024, we presented the latest clinical data for patients with advanced solid tumor at ESMO Congress 2024. The data demonstrated excellent safety and tolerability profiles of HBM1020 in patients with advanced solid tumors. Preliminary efficacy signals with disease control and tumor size reduction were observed. Of the 15 patients who received post-treatment tumor assessments, 7 patients (46.7%) achieved stable disease (SD), with two patients showing tumor shrinkage of 11% and 25%.

HBM7008

HBM7008 is a bispecific antibody targeting Tumor Associated Antigen (TAA) B7H4 and 4-1BB that not only displays high potency in the T cell co-stimulation and tumor growth inhibition, but also potentially translate to improved safety due to its strict dependency of TAA-mediated crosslinking T cell activation. HBM7008 is one of the fully human bispecific antibodies developed from the HBICE® Platform of the Company. It is the only bispecific antibody against these two targets in clinical stage globally. Its unique specificity on tumors and immune modulation activity makes it promising therapeutics in PD-L1 negative or PD1/PD-L1 resistant patients. It also has the potential to avoid 4-1BB liver toxicity risk observed in other products with the benefit of its innovative biology mechanisms and bispecific design.

In February 2023, we entered into a license and collaboration agreement with Cullinan Therapeutics, Inc. (formerly known as Cullinan Oncology, Inc., together with its affiliates, "**Cullinan**"), pursuant to which we granted Cullinan an exclusive sub-licensable license to exploit any product that is comprised of or contains the Company's bispecific antibody targeting B7H4x4-1BB (HBM7008) in the United States of America and its territories and possessions (including the District of Columbia and Puerto Rico).

In August 2024, the Company received a termination notice from Cullinan terminating the Cullinan Agreement (the "**Termination**") which will become effective on 3 November 2024, and the Company shall be under no obligation to return any monies received under the Cullinan Agreement prior to the Termination. The Company will regain the global right of HBM7008 and will continue to explore other development and potential commercialization opportunities.

During the Reporting Period, our partner had finished multiple dose levels dose-escalation study in patients with advanced solid tumors.

IND-enabling candidates Projects

Engaged in the discovery and development of differentiated antibody therapeutics in immunology and immune-oncology disease areas, we are also exploring and developing multiple programs including novel and challenging antibody therapeutics in multiple disease areas:

– In the inflammatory and immunology field, the Company has built a robust preclinical pipeline, encompassing bispecific and multi-specific antibody programs generated from our HCAb based Bispecific Immune Cell Antagonist (HBICA™) platform and ultra long-acting in for immunology diseases.

– In the oncology field, the Company strategic focusing on novel antibody-based innovation. Bispecific and multi-specific antibodies generated from our HBICE® Platform with novel design and differentiated mechanism such as HBM9027 (PD-L1xCD40), HBM7004 (B7H4xCD3). In addition, utilizing our XDC platform, and leveraging the advantages of the Harbour Mice® Platform, we are exploring multiple modalities therapeutic antibodies in oncology, such as HBM9033 (a MSLN targeted ADC) and other ADC/RDC programs in early stage.

1. HBM7020

HBM7020 is a BCMAxCD3 bispecific antibody generated with our proprietary fully human HBICE® bispecific technology and Harbour Mice® Platform. HBM7020 can crosslink targeted cells and T cells by targeting BCMA on cell surface and CD3, and thus lead potent T cell activation and cell elimination. By using dual anti-BCMA binding sites for optimal cell targeting, and monovalent optimized CD3 activity to minimize CRS, HBM7020 demonstrated potent cytotoxicity with boarder applications in both immunological and oncology disease.

In August 2023, HBM7020 obtained the IND clearance to commence Phase I trial for cancer in China from NMPA.

In 2024, we had restructured our development strategy targeting immunological diseases. Currently, we are in the process of preparing an IND application.

2. HBM9027

HBM9027 is a novel PD-L1xCD40 bispecific antibody. Using our proprietary fully human HBICE® bispecific technology and Harbour Mice® Platform, we discovered a crosslinking dependent PD-L1xCD40 bispecific antibody to provide novel solutions for cancer immunotherapy from both efficacy and safety angles. The development of PD-L1xCD40 bispecific further expands our bispecific immune cell engager into the cutting-edge DC/myeloid cell engager field and demonstrates HBICE® Platform's versatile geometry formats and plug-and-play advantages.

In January 2024, HBM9027 obtained the IND approval from U.S. FDA to initiate Phase I trial in the U.S.

3. HBM7004

HBM7004 is a novel B7H4xCD3 bispecific antibody. Using our proprietary fully human HBICE® bispecific technology and Harbour Mice® Platform (H2L2&HCAb), we discovered a B7H4xCD3 bispecific antibody to provide novel solutions for cancer immunotherapy from both efficacy and safety angles. The development of B7H4xCD3 bispecific HBICE® further consolidates our bispecific immune cell engager platform and demonstrates HBICE® platform's versatile geometry formats and plug-and-play advantages.

In preclinical studies, HBM7004 demonstrated an intratumor B7H4 dependent T cell activation manner. In multiple animal models, HBM7004 showed strong anti-tumor efficacy, remarkable in vivo stability and reduced systemic toxicity. Also, in preclinical models, HBM7004 showed strong synergistic effect when combining with B7H4x4-1BB bispecific antibody at low Effector: Target cell ratio, indicating the encouraging therapeutic window.

We are currently conducting IND-enabling studies for HBM7004.

4. HBM9014

HBM9014 is a first-in-class, fully human antibody targeting Leukemia Inhibitory Factor Receptor ("**LIFR**") for cancer treatment. It has been discovered using Harbour Mice® Platform. HBM9014 blocks multiple IL6 family cytokine pathways via LIFR to inhibit their function in promoting tumor progression, metastasis and chemo-resistance.

In preclinical studies, HBM9014 shows significant in vivo antitumor efficacy, and enhanced efficacy in combination with Cisplatin in multiple tumor models. HBM9014 also shows great tolerability in monkey toxicology study.

In 2024, we will continue to actively explore drug development strategies and seek collaboration opportunities.

Business Development

With our unique leading edge and technological advantage of our technology platform, we established Nona Biosciences in 2022 to better empower the innovators in the industry and enable our collaborators from I to I™ (Idea to IND). Nona Biosciences is a global biotechnology company committed to providing a total solution for partners worldwide, from academies, biotechnology startups to biopharmaceutical giants.

We believe our flexible business models built around our proprietary technologies and our strong internal discovery capabilities will maximize our platform value by leveraging complementary advantages from the Company and our collaborators. To give full play to the value of our unique platform technologies, we continue to explore the expandability of platform technology application scenarios which generate impactful values to the Company. We have established partnerships with industry pioneers and academic researchers in 2024 to further expand our network of collaborations in China and globally.

ASSET LICENSING

1. Collaboration Progress on HBM9033 with Pfizer

In December 2023, we entered into a global out-license agreement with Pfizer to develop and commercialize HBM9033, an ADC drug generated from the Harbour Mice® platform of the Company. In August 2024, Pfizer initiated Phase I international multi-centre clinical trial.

2. Global license and option agreement with AZN

In May 2024, we entered into a license agreement with AZN for preclinical monoclonal antibodies that will be used to create targeted therapies in oncology. Under the terms of the agreement, Nona Biosciences shall receive US$19 million upon completion of the transaction. Nona Biosciences is eligible to receive an additional US$10 million in potential near-term milestone payments and up to US$575 million upon achieving specified development, regulatory, and commercial milestones, as well as tiered royalty payments on net sales. In addition, Nona Biosciences is eligible to receive payments for the option programs should AZN exercise these options.

3. Global collaboration and license agreement with Candid

In December 2024, we entered into a research collaboration and license agreement to discover next-generation T-cell engagers ("**TCEs**") with Candid Therapeutics, Inc. ("**Candid**"). Under the terms of the agreement, Nona Biosciences is eligible to receive up to US$320 million, including an upfront payment and potential milestone payments. Candid will be responsible for all further product development.

4. Global collaboration with Windward Bio

In January 2025, we entered into an exclusive license agreement with Windward Bio, under which we and Kelun-Biotech granted Windward Bio an exclusive license of HBM9378/WIN378 globally (excluding Greater China and several Southeast and West Asian countries). In return, we and Kelun-Biotech are eligible to receive a total of up to US$970 million upfront and milestone payments as well as single to double-digit tiered royalties on net sales of HBM9378/WIN378. The US$45 million upfront and near-term payments include both cash consideration and equity in the parent company of Windward Bio. Subject to the terms and conditions of the license agreement, we are also eligible to receive additional payment from Windward Bio if Windward Bio undergoes a near-term change of control or enters into a sublicense agreement with a third party. The payments to be made by Windward Bio to us and Kelun-Biotech under the license agreement shall be paid in equal amounts.

5. HBM Alpha Therapeutics (HBMAT) Enters Strategic Collaboration and License Agreement

In February 2025, HBM Alpha Therapeutics, an innovative biotechnology company incubated by the Company, announced a strategic collaboration and license agreement with a business partner to advance novel therapies targeting corticotropin-releasing hormone (CRH) for various disorders. Under the agreement, the partner gains exclusive global rights, excluding Greater China (Mainland China, Taiwan, Hong Kong, and Macau), to develop and commercialize HAT001 (designated as HBM9013 by Harbour BioMed), a potent and selective anti-CRH-neutralizing antibody. In return, HBMAT is eligible to receive up to US$395 million, including upfront, development, regulatory and commercial milestone payments, as well as tiered royalties on future net product sales. Additionally, HBMAT is also entitled to a warrant to receive minority interest in the partner.

TECHNOLOGY LICENSING

1. Collaborations with Boostimmune

In February 2024, we entered into an ADC discovery collaboration agreement with Boostimmune, a biotech company dedicated to developing next-generation anti-cancer therapies via modulating immune systems. The collaboration aims to leverage Nona Biosciences' proprietary Harbour Mice® H2L2 (two heavy and two light chain) platform to accelerate the development of ADCs against novel targets.

2. Collaborations with Alaya.bio

In July 2024, we entered into a collaboration agreement with Alaya.bio, a biotechnology company developing a novel polymeric delivery platform, to precisely target and reprogram cells in situ and thus to significantly simplify the way CAR-T cell therapies in particular are being developed, manufactured and administered. This collaboration aims to leverage Nona's proprietary HCAb Harbour Mice® platform and its newly introduced site-specific conjugation technology, alongside Alaya.bio's polymeric in situ delivery platform, to develop CAR-T product candidates for potential clinical applications.

3. Collaborations with Umoja Biopharma

In September 2024, we entered into a multi-target antibody discovery collaboration with Umoja Biopharma, a transformative immunotherapy company creating off-the-shelf treatments that aim to extend the reach and effectiveness of CAR-T cell therapies in oncology and autoimmunity. This partnership aims to combine Nona's HCAb Harbour Mice® platform and direct CAR-function-based HCAb library screening platform (NonaCarFx™) with Umoja's VivoVec™ platform to develop novel in vivo CAR-T cell therapies and expand the potential reach of this innovative delivery technology.

4. Collaborations with Alkyon Therapeutics, Inc.

In September 2024, we entered into a strategic collaboration with Alkyon Therapeutics, Inc. (AlkyonTx), a San Diego-based biotechnology company, to develop next-generation immunotherapy and other targeted therapy applications, using Nona's Harbour Mice® fully human antibody platform. This collaboration will leverage Nona's proprietary platform to generate deep insights into the tumor microenvironment – particularly the extracellular matrix (ECM) and stroma – Alkyon uncovers novel therapeutic targets with enhanced translational potential, accelerating the development of breakthrough treatments for solid cancers.

5. Collaborations with OverT Bio

In October 2024, we entered strategic collaboration with OverT Bio, a New York-based biotechnology company. The collaboration will focus on developing next-generation cell therapies for solid tumors by leveraging Nona's proprietary fully human HCAb Harbour Mice® platform and its innovative direct CAR-function-based HCAb library screening platform, NonaCarFx™.

6. Collaborations with Kodiak Sciences Inc.

In December 2024, we entered a collaboration with Kodiak Sciences Inc. (Nasdaq: KOD). This partnership aims to advance the discovery of novel multi-target antibodies to treat ophthalmic diseases, leveraging Nona's proprietary Harbour Mice® fully human antibody platform.

Research, Development and Technology

We focus on innovative next-generation therapies in oncology and immunology. Our discovery and pre-clinical research teams conduct drug discovery, formulation development, process development and pre-clinical studies on new candidates. During the Reporting Period, we achieved progress on the academic research on our clinical development:

- Presented clinical results of HBM9161 for generalized myasthenia gravis on JAMA Neurology in March 2024.

- Presented the Phase I study results in combination of toripalimab in patients with advanced melanoma and other solid tumors on the Journal of ImmunoTherapy of Cancer.

- Presented the "Phase I Dose-Escalation Study of HBM1020, a Novel Anti-B7H7 Antibody in Patients with Advanced Solid Tumors" in the European Society for Medical Oncology ("**ESMO**") Congress 2024.

Meanwhile, we have a professional team of scientists at Nona Biosciences to optimize, upgrade and further develop our technology platforms. During the Reporting Period, the Company has made major progress in discovery, platform and patents as follows:

- Applied for 405 patents, and 16 patents have been granted invention patent license by the China National Intellectual Property Administration, with 296 patent applications still in progress as at 31 December 2024. These patent applications have further strengthened the protection of intellectual property rights of the Company's core products and technology platforms.

Nona Biosciences has established a robust antibody discovery platform, protein engineering platform, conjugation technology platform, HCAb-CAR screening platform and delivery technology platform to use mRNA-encoding target gene as immunogen to tackle difficult targets. Leveraging these technology platforms, the Company may move towards more novel and challenging drug targets globally. During the Reporting Period, the Company presented academic articles or conference posters as follows.

- Developed human monoclonal antibodies and heavy-chain-only antibodies to treat snakebite, which was published on Toxicon X in March 2024.

- Developed a novel human heavy-chain-only antibody to mitigate neutralization resistance of SARS-CoV-2 variants, which was presented on Nature communications in March 2024.

- Developed our direct CAR-based library screening platform and presented a poster at AACR in April 2024.

- Developed mRNA-encoded T cell engagers for cancer immunotherapy and presented a poster at Immuno-Oncology Summit Europe 2024 in April 2024.

- Developed anti-TFR1 human heavy-chain-only antibodies and Blood-Brain Barrier Shuttle Technology, and presented a poster in PEGS Boston Summit in May 2024.

- Presented the poster "Fully Human Heavy Chain Only Antibodies to BCMA Identified by NonaCarFx™ Platform" at 9th Annual CAR-TCR Summit in September 2024.

Cautionary Statement required by Rule 18A.08(3) of the Listing Rules: The Company cannot guarantee that it will be able to develop, or ultimately market, any of the products in its pipeline successfully. Shareholders of the Company (the "**Shareholders**") and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company (the "**Shares**").

Significant Investments

To give full play to the value of our unique platform technologies, we continue to explore the expandability of platform technology application scenarios which generate impactful values to the Company. With limited investments, we are incubating several joint ventures focusing on next generation innovation varying from multivalent to cell therapies, etc. Their common objective is to increase the application scenarios of our technology platform and create the incremental value for the Company. In other words, this "technology for equity" model allows us to integrate incremental resources for the diversification deployment of our next generation innovation which will constantly bring us more new value growth points with minimal marginal investment.

Investment in NK Cell Tech

In June 2021, the Company entered into an agreement with NK Cell Tech, a startup company established in the PRC with globally leading technology and talents in the NK cell field, in respect of the co-development of novel NK cell therapy. The Company, via Harbour BioMed (Shanghai) Technology Development Co., Ltd ("**HBM Shanghai**"), a subsidiary of the Company, as the co-founder, made an investment in NK Cell Tech. Pursuant to the shareholders' agreement entered into by the parties, HBM Shanghai subscribed for redeemable ordinary shares with preferential shares of NK Cell Tech, representing 15.8% of the equity interest in the registered capital of NK Cell Tech, for a consideration of cash and technology sublicense agreement. Upon completion of the subscription, the Company, through its subsidiary, held 15.8% of the total equity interest of NK Cell Tech and has the right to appoint a person as a director of NK Cell Tech. This investment shows the expandability of our platform technology application scenarios which generate impactful values to the Company in the diversified deployment of next generation innovation. It opens up a new channel for our platform technology value creation and conversion. In June 2022, NK Cell Tech announced that it has completed its A round financing raising a fund of over RMB100 million. In November 2024, NK Cell Tech announced that it has completed its A++ round financing which will accelerate the development and clinical process of its pipeline products. As of 31 December 2024, the Company, through HBM Shanghai, held 10.90% of the total equity interest of NK Cell Tech.

As of 31 December 2024, the fair value of the investment is US$7.63 million, which represented 3.55% of the Company's total assets. During the Reporting Period, the Group recorded unrealized gain on fair value change of US$1.88 million of its investment in NK Cell Tech.

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the total assets of the Group as at 31 December 2024) during the Reporting Period.

Events After the Reporting Period

As at the date of this announcement, particulars of the Company's significant events affecting the Company or any of its subsidiaries after the year ended December 31, 2024 are listed below:

ISSUE OF SUBSCRIPTION SHARES UNDER GENERAL MANDATE AND COLLABORATION WITH AZN

On 21 March 2025 (after trading hours), the Company entered into the share subscription under general mandate and collaboration with AZN.

Issue of subscription shares

The Company entered into the Share Subscription Agreement with AstraZeneca Holdings B.V. ("**AstraZeneca Holdings**"), a company incorporated in the Netherlands, pursuant to which the Company has conditionally agreed to allot and issue to AstraZeneca Holdings, and AstraZeneca Holdings has conditionally agreed to subscribe for, the Subscription Shares at the Subscription Price of US$1.38 per Share (equivalent to approximately HK$10.74 per Share). The Subscription Shares represent 9.15% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the gross proceeds from the Subscription will be approximately US$105.3 million (equivalent to approximately HK$819.2 million), which will be used for research and development, operations and general working capital requirements of the Group.

Collaboration

On the same day, the Company entered into a global strategic collaboration Agreement with AZN to discover and develop next-generation therapeutic antibodies programs for immunology, oncology and beyond, pursuant to which AZN will obtain the option to license two preclinical immunology programs and will nominate further target for HBM Shanghai to discover next-generation multi-specific antibodies. AZN will have the option to license these programs for advancement into clinical development.

In return, HBM Shanghai will receive an upfront payment, near-term milestone payments, and option exercise fees for additional programs, totaling US$175 million, as well as up to US$4.4 billion in additional development and commercial milestone payments, along with tiered royalties on net sales. Additionally, AZN has the option to include additional programs in the Collaboration over the next five years, and the parties have the option to extend the terms of the agreement for an addition five years upon mutual agreement.

To support the collaboration programs under the Collaboration Agreement and other joint initiatives between the two parties, the Group will establish an innovation center in Beijing, China to be co-located with AZN.

Prospects and Outlook

The Company's achievements and growth momentum in 2024 gave us confidence that we will be able to successfully address the complex market environment and provide innovative therapeutic drugs for immune diseases and cancer patients in the near future.

We have been committed to developing innovative therapies for patients around the world and accelerated our transition to a fully integrated global biotech innovation engine with core technological advantages and a differentiated portfolio. We will maintain our proactive and dynamic approach to create sustainable value for all our stakeholders, In 2025, Harbour Therapeutics will further accelerate the progress of its portfolio and expanding into immunology strategically. We will advance projects generated from our discovery engine with an approach of designing molecules against novel targets or innovative molecules against known targets. In addition, we expect to file INDs for at least two new products, and we will continue to identify new quality candidates through Harbour Mice® HBICA™ and HBICE®, our highly effective drug discovery engine.

The values of the antibody discovery platforms and flexible partnership models of Nona Biosciences have been well validated through the collaboration in the past years. We will enhance the approaches with partners worldwide, from academies, biotechnology startups to pharmaceutical giants, providing total solution. The platform-valued-maximized business collaborations will further drive the Company down the path of global development. We have seen very exciting value through these platform-based collaborations with top institutions around the world as our preclinical products become increasingly mature, continues progress on key business metrics are expected in 2025.

We will re-allocate internal resources to focus on the development of portfolio of assets generated from our platform, and the exploration on expanding the collaboration networks by Nona Biosciences.

FINANCIAL REVIEW

Overview

For the year ended 31 December 2024, the Group recorded a revenue of US$38.1 million, compared to US$89.5 million for the year ended 31 December 2023. Meanwhile, recurring revenue increased from US$5.7 million for the year ended 31 December 2023 to US$16.9 million for the year ended 31 December 2024. The research and development expenses decreased by US$24.1 million, or 53.4%, from US$45.1 million for the year ended 31 December 2023 to US$21.0 million for the year ended 31 December 2024. The administrative expenses decreased by US$6.3 million, or 32.3%, from US$19.5 million for the year ended 31 December 2023 to US$13.2 million for the year ended 31 December 2024. Other income and gains increased by US$4.6 million, or 69.7%, from US$6.6 million for the year ended 31 December 2023 to US$11.2 million for the year ended 31 December 2024. The Group recorded a profit of US$2.7 million and cash profit[1] of US$30.7 million for the year ended 31 December 2024.

Revenue

Our revenue primarily consists of molecule licence fee, research service fee and technology licence fee. Among these, the research service fee, technology licence fee (the first two items are referred to as "platform-based research revenue"), and milestone payments associated with molecule licence agreements are regarded as recurring revenue.

	2024	2023
	USD'000	*USD'000*
– Millstone payments of Molecule licence	**8,572**	1,779
– Platform-based research revenue	**8,341**	3,930
Subtotal of recurring revenue	**16,913**	5,709
– Upfront payment of Molecule licence fee	**21,187**	83,793
Total	**38,100**	89,502

For the year ended 31 December 2024, recurring revenue increased by US$11.2 million, or 196.5%, from US$5.7 million for the year ended 31 December 2023 to US$16.9 million.

Cost of Sales

Our cost of sales increased by US$2.5 million, from US$2.0 million for the year ended 31 December 2023 to US$4.5 million for the year ended 31 December 2024, mainly consisted of the labour costs and material costs for the research service. The increase was consistent with the growth of research service fee income.

Other Income and Gains

Other income and gains primarily consist of interest income, government grants recognized and other miscellaneous income, which increased from US$6.6 million for the year ended 31 December 2023 to US$11.2 million for the year ended 31 December 2024, primarily due to the increase in cash which generated more interest and fair value gain on other financial assets.

[1] operating net cash inflow

Research and Development Costs

The implementation of innovative business models has driven substantial enhancements in expense management efficiency. Our research and development costs decreased by US$24.1 million, or 53.4%, from US$45.1 million for the year ended 31 December 2023 to US$21.0 million for the year ended 31 December 2024.

This decrease was primarily attributable to the combined impact of (i) re-allocating research and development resources into early immunology innovations from late stage developments; and (ii) strictly controlling the labor cost resulted in a reduction from US$14.2 million to US$10.4 million.

	For the year ended December 31			
	2024		2023	
	US$ in thousands		*US$ in thousands*	
Third-party contracting costs	**6,359**	**30.3%**	21,393	47.5%
Employee costs	**10,361**	**49.4%**	14,155	31.4%
Depreciation and amortization	**2,522**	**12.0%**	3,761	8.3%
Materials	**1,057**	**5.0%**	2,966	6.6%
Others	**700**	**3.3%**	2,806	6.2%
	20,999	**100.0%**	45,081	100.0%

Administrative Expenses

Our administrative expenses decreased from US$19.5 million for the year ended 31 December 2023 to US$13.2 million for the year ended 31 December 2024, primarily driven by reductions in employee cost from US$10.4 million to US$8.0 million.

	For the year ended 31 December			
	2024		2023	
	US$ in thousands		*US$ in thousands*	
Employee costs	**7,960**	**60.4%**	10,379	53.2%
Professional expenses	**3,865**	**29.3%**	6,498	33.3%
Depreciation and amortization	**343**	**2.7%**	870	4.5%
Others	**1,003**	**7.6%**	1,751	9.0%
	13,171	**100.0%**	19,498	100.0%

Other Expenses

Our other expenses decreased from US$1.4 million for the year ended 31 December 2023 to US$0.2 million for the year ended 31 December 2024, primarily due to the absence of exchange loss and fair value change loss in 2024.

Profit for the Year

As a result of the above factors, the profit for the Group recorded as US$2.7 million for the year ended 31 December 2024.

Ageing Analysis of Accounts Receivable

	2024	2023
	USD'000	*USD'000*
Within 6 months	**8,603**	52,323
6 to 12 months	**50**	–
Above 12 months	**787**	–
Less: Impairment allowance	**461**	–
Net carrying amount	**8,979**	52,323

A majority of the accounts receivables aged less than six months.

After the Reporting Period to the date of this announcement, 71.9% of the ending balance have been collected.

Ageing Analysis of Accounts Payables

An analysis of the trade payables as at the end of each year, based on the invoice date, is as follows:

	For the year ended 31 December	
	2024	2023
	US$ in thousands	*US$ in thousands*
Within 1 month	**2,288**	14,864
1-3 months	**934**	256
3-6 months	**385**	234
6-12 months	**1,469**	9
Above 12 months	**178**	–
	5,254	15,363

The trade payables are non-interest-bearing and are normally settled on terms of 1 to 3 months.

Liquidity and Source of Funding

Our primary uses of cash are to fund our research, clinical trials, purchase of equipment and materials and other expenses. During the Reporting Period, we primarily funded our working capital requirements through the cashflow generated by our revenue. We closely monitor uses of cash and cash equivalents (mainly held in RMB and USD) and maintain a healthy liquidity for our operations.

Key Financial Ratios

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

	As of 31 December	
	2024	2023
Current ratio[(1)]	**2.82**	3.28
Gearing ratio[(2)]	**N/A[(3)]**	N/A[(3)]

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

(2) Gearing ratio is calculated by net debt divided by the adjusted capital plus net debt. Net debt includes lease liabilities, trade payables and financial liabilities included in other payables and accruals, less cash and cash equivalents and restricted bank balances. Adjusted capital includes equity attributable to owners of the parent.

(3) As at 31 December 2024 and 31 December 2023, the Group's cash and cash equivalents plus restricted bank balances exceeded the financial liabilities. As such, no gearing ratio as of 31 December 2024 and 31 December 2023 was presented.

Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies and joint ventures for the year ended 31 December 2024.

Future Plans for Material Investments or Capital Asset

The Group did not have detailed future plans for material investments or capital assets.

Pledge of Assets

As of 31 December 2024, except the cash in bank amounting to US$0.9 million (31 December 2023: US$0.7 million) was restricted, the Group had no other pledge of assets.

Contingent Liabilities

The Group had no material contingent liabilities as of 31 December 2024 (as of 31 December 2023: Nil).

Foreign Exchange Exposure

During the year ended 31 December 2024, the Group mainly operated in China and the majority of the transactions were settled in Renminbi ("**RMB**"), whereas the funding source of the Company was United States dollars ("**US$**"), the functional currency of the Company. Our financial assets and liabilities are subject to foreign currency risk as a result of certain bank deposits, trade and other receivables and trade and other payables denominated in non-functional currencies. Therefore, the fluctuations in the exchange rate of functional currency against non-functional currency could affect our results of operations. We have not entered into any hedging transactions to manage the potential fluctuation in foreign currency as of 31 December 2024.

Bank Loans and Other Borrowings

As of 31 December 2024, we had bank loans of US$59.4 million and lease liabilities of US$1.9 million.

The table below summarizes the maturity profile of the Group's bank loans and lease liabilities as of the dates indicated, based on contractual undiscounted payments:

	Less than 1 year *US$ in thousands*	**Between 1-5 years** *US$ in thousands*	**Total** *US$ in thousands*
As of 31 December 2024			
Lease liabilities	**1,026**	**867**	**1,893**
Bank borrowings – unsecured*	**56,470**	**3,947**	**60,417**
As of 31 December 2023			
Lease liabilities	874	731	1,605
Bank borrowings – unsecured*	39,103	28,993	68,096

* The bank borrowings carry interest at rates ranging from 1.5% to 3.55% (2023: 3.45% to 4.65%) per annum.

Employees and Remuneration

As of 31 December 2024, 156 of our employees were located in the PRC, 25 were located in the United States, and 2 was located in the Netherlands. The following table sets forth the total number of employees by function as of 31 December 2024:

Function	**Number of Employees**	% of Total Employees
Research and Development	**126**	68.9
General and Administrative	**57**	31.1
Total	**183**	100.0

The total remuneration cost incurred by the Group for the year ended 31 December 2024 was US$23.7 million (including share-based payment amounting to US$1.2 million), as compared to US$26.3 million for the year ended 31 December 2023.

The Group has also adopted a pre-IPO equity plan, a post-IPO share option scheme and a post-IPO share award scheme.

FINAL DIVIDEND

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

ANNUAL GENERAL MEETING

The annual general meeting is scheduled to be held on Wednesday, 11 June 2025 (the "**AGM**"). A notice convening the AGM will be published and made available to the Shareholders in the manner required by the Listing Rules in due course.

CLOSURE OF THE REGISTER OF MEMBERS

The AGM will be held on Wednesday, 11 June 2025. The register of members of the Company will be closed from Friday, 6 June 2025 to Wednesday, 11 June 2025, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be on Wednesday, 11 June 2025. To be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 5 June 2025.

POST BALANCE SHEET EVENTS

There are no material events after the Reporting Period to the date of this announcement that may have a material impact on the Group.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company was incorporated in the Cayman Islands on 20 July 2016 as an exempted company with limited liability, and the shares of the Company were listed on the Stock Exchange on 10 December 2020 (the "**Listing Date**").

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

1. Compliance with the Corporate Governance Code

During the Reporting Period, the Company has complied with all applicable code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") except for the following deviation.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer (the "**CEO**") should be segregated and should not be performed by the same individual. The Company does not have a separate chairman and the CEO and Dr. Jingsong Wang ("**Dr. Wang**") currently performs these two roles.

The Board believes that vesting the roles of both chairman and CEO in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the CEO of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

Mr. Ka Chi Yau ("**Mr. Yau**") resigned as an independent non-executive Director, the chairman of the Audit committee and a member of the remuneration committee of the Board with effect from 21 June 2024. Since Mr. Yau was the independent non-executive Director who had the appropriate professional qualifications or accounting or related financial management expertise (the "**Relevant Qualification**") under Rule 3.10(2) of the Listing Rules, following Mr. Yau's resignation, there was no independent non-executive Director who possessed the Relevant Qualification as required under Rule 3.10(2) of the Listing Rules; and the Audit Committee comprised no independent non-executive Director with the Relevant Qualification as required under Rule 3.21 of the Listing Rules. As additional time was required for the Company to identify suitable candidate and complete the selection, recruitment and nomination procedures, the Company had applied to the Stock Exchange, and the Stock Exchange had granted to the Company, a waiver from strict compliance with the requirements under Rules 3.10(2) and 3.21 of the Listing Rules and an extension of time to 31 December 2024 for filling the vacancy.

Ms. Weiwei Chen ("**Ms. Chen**") had been re-designated from being a non-executive Director, to an independent non-executive Director with effect from 1 January 2025. Ms. Chen was also re-designated from a member to the chairwoman of the Audit Committee with effect from 1 January 2025. As Ms. Chen possessed the Relevant Qualification required under Rule 3.10(2) of the Listing Rules and confirmed that she had gained such expertise through her experiences, the Company met the requirements set out under Rules 3.10(2) and 3.21 of the Listing Rules following Ms. Chen's re-designation.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

2. Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the Reporting Period.

3. Scope of Work of the Company's Auditors

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

4. Audit Committee

The Board has established the Audit Committee, which comprises three independent non-executive Directors, namely Ms. Weiwei Chen (re-designated as chairwoman with effect from 1 January 2025), Dr. Xiaoping Ye and Dr. Albert R. Collinson (appointed following the resignation of Mr. Ka Chi Yau ("**Mr. Yau**") as an independent non-executive Director on 21 June 2024).

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2024 and has met with the independent auditor, Ernst & Young. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and risk management and internal control with senior management members of the Company.

5. Other Board Committees

In addition to the Audit Committee, the Company has also established a nomination committee and a remuneration committee.

6. Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, the Company repurchased a total of 4,120,000 ordinary shares of the Company (the "**Shares Repurchased**") and are held as treasury shares by the Company, with total paid consideration of HKD4,995,780. As at the end of the Reporting Period, all Shares Repurchased by the Company were cancelled, and the issued share capital of the Company was reduced accordingly. The purpose of share repurchase by the Board is to reflect the Company's confidence in its own business outlook and prospects and are in the best interest of the Company and the shareholders. Details of the Shares Repurchased during the Reporting Period are as follows:

Trading month	**Number of Shares Repurchased**	**Highest price paid per Share** *(HK$)*	**Lowest price paid per Share** *(HK$)*	**Total consideration paid** *(HK$)*
September 2024	1,411,000	1.28	1.08	1,689,630
October 2024	869,000	1.45	1.19	1,114,000
November 2024	1,840,000	1.24	1.15	2,192,150
Total	**4,120,000**			**4,995,780**

Pursuant to the rules of the equity incentive plan, the Company has set up the trust and other entities of the plan for the purposes of administering the equity incentive plan and holding the shares before vested and the expiry of the effective period.

Save as disclosed above, during the Reporting Period, neither the Company nor any members of the Group purchased, sold or redeemed any of the Company's securities (including the sale of treasury shares (as defined under the Listing Rules)).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	**2024** ***USD'000***	2023 *USD'000*
REVENUE	*6*	**38,100**	89,502
Cost of sales		**(4,486)**	(2,034)
Gross profit		**33,614**	87,468
Other income and gains	*6*	**11,167**	6,589
Selling expense		**(2,677)**	(1,062)
Administrative expenses		**(13,171)**	(19,498)
Research and development costs		**(20,999)**	(45,081)
Other expenses	*7*	**(228)**	(1,359)
Impairment losses on financial assets, net	*8*	**(462)**	(503)
Finance costs	*9*	**(3,505)**	(3,872)
PROFIT BEFORE TAX	*10*	**3,739**	22,682
Income tax (expense)/credit	*11*	**(997)**	81
PROFIT FOR THE YEAR		**2,742**	22,763
Attributable to:			
Owners of the parent		**2,778**	22,797
Non-controlling interests		**(36)**	(34)
		2,742	22,763
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic (USD)	*13*	**0.00**	0.03
Diluted (USD)	*13*	**0.00**	0.03

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024	2023
	USD'000	*USD'000*
PROFIT FOR THE YEAR	**2,742**	22,763
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**326**	778
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**326**	778
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**3,068**	23,541
Attributable to:		
Owners of the parent	**3,104**	23,575
Non-controlling interests	**(36)**	(34)
	3,068	23,541

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024** ***USD'000***	31 December 2023 *USD'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*14*	**1,788**	3,324
Right-of-use assets	*15*	**1,798**	1,555
Intangible assets	*16*	**7,684**	7,678
Prepayments, other receivables and other assets	*19*	**23**	–
Other financial assets	*20*	**7,626**	5,747
Total non-current assets		**18,919**	18,304
CURRENT ASSETS			
Inventories	*17*	**2,374**	–
Trade receivables	*18*	**8,979**	52,323
Prepayments, other receivables and other assets	*19*	**17,040**	16,876
Restricted bank balances	*21*	**881**	653
Cash and cash equivalents	*21*	**166,821**	140,324
Total current assets		**196,095**	210,176
CURRENT LIABILITIES			
Trade payables	*22*	**5,254**	15,363
Other payables and accruals	*23*	**6,017**	10,087
Contract liabilities	*24*	**1,550**	1,246
Interest-bearing bank borrowings	*25*	**55,584**	36,560
Lease liabilities	*15*	**1,026**	874
Total current liabilities		**69,431**	64,130
NET CURRENT ASSETS		**126,664**	146,046
TOTAL ASSETS LESS CURRENT LIABILITIES		**145,583**	164,350

	Notes	**31 December 2024** ***USD'000***	31 December 2023 *USD'000*
NON-CURRENT LIABILITIES			
Contract liabilities	*24*	**14,250**	14,079
Interest-bearing bank borrowings	*25*	**3,862**	27,847
Lease liabilities	*15*	**867**	731
Deferred tax liabilities	*26*	**2,552**	2,064
Total non-current liabilities		**21,531**	44,721
Net assets		**124,052**	119,629
EQUITY			
Equity attributable to owners of the parent			
Share capital		**19**	19
Treasury shares		**(8,869)**	(9,223)
Reserves		**133,297**	129,192
		124,447	119,988
Non-controlling interests		**(395)**	(359)
Total equity		**124,052**	119,629

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 20 July 2016. The registered office address of the Company is P.O. Box 472, 2nd Floor, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands.

The Company is an investment holding company. During the year, the Company's subsidiaries were engaged in the business of developing innovative therapeutics in the fields of immuno-oncology and immunology diseases.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which comprise all standards and interpretations approved by the International Accounting Standards Board (the "**IASB**"), and International Accounting Standards ("**IASs**") and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect, and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for other financial assets which have been measured at fair value. These financial statements are presented in United States dollars ("**USD**") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's 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 (the "**2020 Amendments**")*
Amendments to IAS 1	*Non-current Liabilities with Covenants (the "**2022 Amendments**")*
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

The adoption of the above new and revised standards has had no significant financial effect on these financial statements.

4. ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised IFRSs, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to IAS 21	*Lack of Exchangeability*[1]
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[2]

1 Effective for annual periods beginning on or after 1 January 2025

2 Effective for annual periods beginning on or after 1 January 2026

3 Effective for annual/reporting periods beginning on or after 1 January 2027

4 No mandatory effective date yet determined but available for adoption

The Group assessed that the adoption of the above new and revised standards will have no significant financial effect on these financial statements.

5. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the development of innovative therapeutics in the fields of immuno-oncology and immunology diseases. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

	2024	2023
	USD'000	*USD'000*
Europe	**19,546**	278
United States	**9,998**	78,430
Mainland China	**7,650**	10,598
Others	**906**	196
Total revenue	**38,100**	89,502

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2024	2023
	USD'000	*USD'000*
Europe	**8,007**	8,157
Mainland China	**2,395**	3,276
United States	**891**	1,124
Total non-current assets	**11,293**	12,557

Except for the intangible asset information which is based on the countries of the respective subsidiaries owning the assets, the non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about major customers

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

	2024	2023
	USD'000	*USD'000*
Customer A	**19,027**	–
Customer B	**2,413**	51,332
Customer C	**–**	25,000

6. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024	2023
	USD'000	*USD'000*
Types of goods or services		
– Molecule licence fee		
Upfront payment	**21,187**	83,793
Milestone payment	**8,572**	1,779
Subtotal	**29,759**	85,572
– Platform-based research fee		
Research service fee	**6,951**	3,169
Technology licence fee	**1,390**	761
Subtotal	**8,341**	3,930
Total	**38,100**	89,502

Revenue from contracts with customers

(i) Disaggregated revenue information

	2024	2023
	USD'000	*USD'000*
Timing of revenue recognition		
At a point in time		
– Molecule licence fee	**29,759**	85,572
– Research service fee	**814**	860
Over time		
– Research service fee	**6,137**	2,309
– Technology licence fee	**1,390**	761
Total	**38,100**	89,502

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2024	2023
	USD'000	*USD'000*
Technology licence fee	**549**	451
Total	**549**	451

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Molecule licence fee

The performance obligation is satisfied at a point in time as the customers obtain rights to use of the underlying licences and payment is generally due within 10 business days from the date of billing.

Technology licence fee

The performance obligation is satisfied over time throughout the licence period as the customers are granted rights to access the know-hows which the Group has exclusive rights to use. Upfront payment is generally due within 10 days after the effective date of contract, whereas other payment is generally due within 30 to 45 days from the date of billing.

Research service fee

The performance obligation is satisfied at a point in time when research results are delivered to and accepted by the customer. For certain type of the contracts, the performance obligation is satisfied over the service period based on the stage of completion of the contract. The payment is generally due within 30 days from the date of billing.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024	2023
	USD'000	*USD'000*
Amounts expected to be recognised as revenue:		
– Within one year	**1,492**	909
– After one year	**155**	40
Total	**1,647**	949

The above remaining performance obligations mainly relate to the contracts of licences and research service fee. The amounts expected to be recognised after one year relate to performance obligations that will be satisfied in the coming years. The amounts disclosed above do not include variable consideration which is constrained.

An analysis of other income and gains is as follows:

	2024	2023
	USD'000	*USD'000*
Other income and gains		
– Interest income	**6,783**	5,624
– Gains on fair value change of other financial assets	**1,983**	–
– Government grants recognised*	**1,048**	840
– Foreign exchange gain, net	**1,035**	–
– Others	**318**	125
Total other income and gains	**11,167**	6,589

* Government grants have been received from the PRC local government authorities to support the subsidiaries' research and development activities. There are no unfulfilled conditions relating to these government grants.

7. OTHER EXPENSES

An analysis of other expenses is as follows:

	2024	2023
	USD'000	*USD'000*
Foreign exchange losses, net	**–**	850
Loss on fair value change of other financial assets	**–**	506
Loss on disposals of property, plant and equipment	**–**	3
Other	**228**	–
Total	**228**	1,359

8. IMPAIRMENT LOSSES ON FINANCIAL ASSETS, NET

	2024	2023
	USD'000	*USD'000*
Provided for		
impairment of trade receivables	**462**	–
impairment of other receivables	**–**	503
Total	**462**	503

9. FINANCE COSTS

An analysis of finance costs is as follows:

	2024	2023
	USD'000	*USD'000*
Interest on bank borrowings	**2,944**	3,017
Interest on contract liabilities	**485**	765
Interest on lease liabilities	**76**	90
Total	**3,505**	3,872

10. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	**2024**	2023
		USD'000	*USD'000*
Cost of sales (excluding employee benefit expense)		**2,123**	987
Depreciation of property, plant and equipment	*14*	**1,618**	2,799
Depreciation of right-of-use assets	*15*	**1,166**	1,281
Amortisation of intangible assets	*16*	**101**	551
Loss on disposals of property, plant and equipment		**–**	3
Gain on disposals of right-of-use assets	*15*	**(13)**	(20)
Employee benefit expense (including directors' remuneration):			
– Wages and salaries		**21,406**	21,292
– Pension scheme contributions*		**1,084**	1,116
– Share-based payment expenses		**1,190**	3,941
Auditors' remuneration		**375**	464
Lease expenses arising from short-term leases	*15*	**50**	41
Foreign exchange (gain)/losses, net	*6/7*	**(1,035)**	850

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries/jurisdictions in which members of the Group are domiciled and operate.

Cayman Islands

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

British Virgin Islands

Pursuant to the rules and regulations of the British Virgin Islands ("**BVI**"), the Group is not subject to any income tax in the BVI.

Hong Kong

Hong Kong profits tax has been provided for at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, unless such profits are taxable at the half-rate of 8.25% (2023: 8.25%) that may apply for the first HK$2,000,000 (2023: HK$2,000,000) of the assessable profits.

Mainland China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, the subsidiaries which operate in Mainland China are subject to corporate income tax ("**CIT**") at a rate of 25% (2023: 25%) on the taxable income, except the subsidiary, Harbour BioMed (Shanghai) Co., Ltd., which was certified as a High and New Technology Enterprise in 2020 and renewed the certificate in December 2023 and was entitled to a preferential CIT rate of 15% (2023: 15%), Nona Biosciences (Suzhou) Co., Ltd., which was certified as a High and New Technology Enterprise in 2021 and renewed the certificate in November 2024 and was entitled to a preferential CIT rate of 15% (2023: 15%).

Netherlands

The subsidiaries which operate in the Netherlands are subject to profits tax at a rate of 15% (2023: 15%) for the first EUR200,000 (2023: EUR200,000) of taxable income, and the excess amount is subject to corporate income tax at a rate of 25.8% (2023: 25.8%) during the year.

United States

The subsidiaries which operate in the United States are subject to federal income tax at a rate of 21% (2023: 21%) and the Massachusetts state income tax at a rate of 8% (2023: 8%) on the taxable income.

The major components of income tax expense/(credit) of the Group are as follows:

	2024	2023
	USD'000	*USD'000*
Current income tax	**509**	50
Deferred income tax	**488**	(131)
Total tax expense/(credit) for the year	**997**	(81)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate applicable in Mainland China to the tax expense at the effective tax rate is as follows:

	2024	2023
	USD'000	*USD'000*
Profit before tax	**3,739**	22,682
Tax at a tax rate of 25%	**935**	5,671
Effect of different tax rates enacted by local authorities	**(486)**	(3,270)
Tax losses not recognised	**6,365**	2,619
Expenses not deductible for tax purposes	**253**	2,622
Tax losses utilised from previous periods	**(3,069)**	(1,730)
Income not subject to tax	**(427)**	(808)
Additional deductible allowance for qualified research and development costs	**(2,574)**	(5,185)
Tax expense at the Group's effective tax rate	**997**	(81)

12. DIVIDENDS

No dividend has been paid or declared by the Company and its subsidiaries during the year (2023: Nil).

13. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the earnings attributable to the owners of the parent and the weighted average number of ordinary shares outstanding excluding the treasury shares during the year.

The calculation of the diluted earnings per share amount for the year ended 31 December 2024 is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

	2024	2023
Earnings		
Earnings attributable to owners of the parent *(USD'000)*	**2,778**	22,797
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**768,246,295***	733,944,377
Effect of dilution – weighted average number of ordinary shares:		
Restricted share units	**4,210,407**	8,585,633
Option/Share Award**	**–**	–
Total	**772,456,702**	742,530,010
Basic earnings per share *(USD per share)*	**0.37 cents**	3.11 cents
Diluted earnings per share *(USD per share)*	**0.37 cents**	3.07 cents

* The weighted average number of shares was after taking into account the effect of treasury shares held.

** The option/share award were not assumed to be exercised because they were antidilutive in the period.

14. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery *USD'000*	Electronic equipment *USD'000*	Furniture and fixtures *USD'000*	Leasehold improvements *USD'000*	Total *USD'000*
31 December 2024					
Cost					
As at 1 January 2024	**15,078**	**620**	**228**	**4,657**	**20,583**
Additions	**134**	**21**	**–**	**–**	**155**
Disposals	**(29)**	**(108)**	**(29)**	**–**	**(166)**
Exchange differences	**(230)**	**(9)**	**(3)**	**(68)**	**(310)**
As at 31 December 2024	**14,953**	**524**	**196**	**4,589**	**20,262**
Accumulated depreciation					
As at 1 January 2024	**(12,030)**	**(532)**	**(213)**	**(4,484)**	**(17,259)**
Charge for the year	**(1,410)**	**(77)**	**(13)**	**(118)**	**(1,618)**
Disposals	**22**	**108**	**29**	**–**	**159**
Exchange differences	**169**	**8**	**1**	**66**	**244**
As at 31 December 2024	**(13,249)**	**(493)**	**(196)**	**(4,536)**	**(18,474)**
Net carrying amount					
As at 31 December 2024	**1,704**	**31**	**–**	**53**	**1,788**
As at 31 December 2023	3,048	88	15	173	3,324
31 December 2023					
Cost					
As at 1 January 2023	14,520	765	231	4,678	20,194
Additions	898	8	–	57	963
Disposals	(134)	(140)	–	–	(274)
Exchange differences	(206)	(13)	(3)	(78)	(300)
As at 31 December 2023	15,078	620	228	4,657	20,583
Accumulated depreciation					
As at 1 January 2023	(9,786)	(515)	(183)	(4,420)	(14,904)
Charge for the year	(2,507)	(122)	(33)	(137)	(2,799)
Disposals	131	97	–	–	228
Exchange differences	132	8	3	73	216
As at 31 December 2023	(12,030)	(532)	(213)	(4,484)	(17,259)
Net carrying amount					
As at 31 December 2023	3,048	88	15	173	3,324
As at 31 December 2022	4,734	250	48	258	5,290

As at 31 December 2024, there were no pledged property, plant and equipment (2023: Nil).

15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group leases certain buildings for its office and laboratory use. The movements in right-of-use assets and lease liabilities during the year are as follows:

	2024	2023
	USD'000	*USD'000*
Right-of-use assets		
Carrying amount at 1 January	**1,555**	2,667
Additions	**1,490**	745
Depreciation charge	**(1,166)**	(1,281)
Exchange differences	**(18)**	(25)
Termination	**(63)**	(551)
Carrying amount at 31 December	**1,798**	1,555

	2024	2023
	USD'000	*USD'000*
Lease liabilities		
Carrying amount at 1 January	**1,605**	2,737
New leases	**1,490**	745
Interest during the year	**66**	90
Payments	**(1,174)**	(1,369)
Exchange differences	**(18)**	(27)
Termination	**(76)**	(571)
Carrying amount at 31 December	**1,893**	1,605
Analysed into:		
Current portion	**1,026**	874
Non-current portion	**867**	731

The amounts recognised in profit or loss in relation to leases are as follows:

	2024	2023
	USD'000	*USD'000*
Depreciation charge of right-of-use assets	**1,166**	1,281
Interest on lease liabilities	**66**	90
Expense relating to short-term leases	**50**	41
Total amount recognised in profit or loss	**1,282**	1,412

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

	2024	2023
	USD'000	*USD'000*
Within operating activities	**50**	41
Within financing activities	**1,174**	1,369
Total	**1,224**	1,410

16. INTANGIBLE ASSETS

	Software *USD'000*	Backlog *USD'000*	Technology licencing agreement *USD'000*	Total *USD'000*
31 December 2024				
Cost				
As at 1 January 2024	**1,614**	**1,728**	**7,600**	**10,942**
Additions	**108**	**–**	**–**	**108**
Exchange differences	**(25)**	**–**	**–**	**(25)**
As at 31 December 2024	**1,697**	**1,728**	**7,600**	**11,025**
Amortisation				
As at 1 January 2024	**(1,536)**	**(1,728)**	**–**	**(3,264)**
Charge for the year	**(101)**	**–**	**–**	**(101)**
Exchange differences	**24**	**–**	**–**	**24**
As at 31 December 2024	**(1,613)**	**(1,728)**	**–**	**(3,341)**
Net carrying amount				
As at 31 December 2024	**84**	**–**	**7,600**	**7,684**
31 December 2023				
Cost				
As at 1 January 2023	1,572	1,728	7,600	10,900
Additions	69	–	–	69
Exchange differences	(27)	–	–	(27)
As at 31 December 2023	1,614	1,728	7,600	10,942
Amortisation				
As at 1 January 2023	(1,004)	(1,728)	–	(2,732)
Charge for the year	(551)	–	–	(551)
Exchange differences	19	–	–	19
As at 31 December 2023	(1,536)	(1,728)	–	(3,264)
Net carrying amount				
As at 31 December 2023	78	–	7,600	7,678

Technology licencing agreement was recognised from the Group's acquisition of Harbour Antibodies BV and its subsidiaries ("**HA Group**") in 2016 (the "**2016 Acquisition**") for HA Group's licence agreement with the licensors, who exclusively licenced the Harbour Technology to HA Group to research, develop, manufacture, market, supply, keep or otherwise exploit antibodies in all fields of use and to sublicence the Harbour Technology, which the licensors will further develop together with the characteristic of the Harbour Mice through providing research consultancy services to Harbour Antibodies BV.

Impairment testing of technology licencing agreement

As the technology licencing agreement between HA Group and the licensors has no expiration date and HA Group had a long-term cooperation history with the licensors for further development of the Harbour Technology, the Group expects the technology licencing agreement with the licensors to have an indefinite useful life. Management tests the technology licencing agreement with indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount.

The recoverable amount of the technology licencing agreement is determined based on the fair value less costs of disposal, and the fair value of the technology licencing agreement is determined using the relief from royalty method taking into account the nature of the asset, using cash flow projections based on financial budgets covering a 14-year period, and the growth rate used to extrapolate the cash flows beyond the 14-year period is 2% (2023: 2%), which is close to the long-term inflation rate. Management believes that using a 14-year forecast period is appropriate because it generally takes longer for a biotechnology company to use the technologies to generate therapeutics and develop them into products to reach perpetual growth mode when the market of such products is developing with substantial growth potential. Hence, financial budget covering a 14-year period is more feasible and reflects a more accurate value. The fair value measurement hierarchy of the technology licencing agreement was Level 3. Other key assumptions to the valuation model used are as follows:

	2024	2023
Discount rate	**16.0%**	16.0%
Royalty rate	**6.0%**	6.0%

Discount rate – The discount rate used is before tax and reflect specific risks relating to the technology licencing agreement.

Royalty rate – The basis used to determine the value assigned to royalty rate is the market royalty rate where the technology licencing agreement located, taking into account the profitability of the Group and other qualitative factors.

17. INVENTORIES

	2024	2023
	USD'000	*USD'000*
Raw materials	**353**	–
Work in progress	**2,021**	–
Total	**2,374**	–

There were no inventories pledged as at 31 December 2024.

18. TRADE RECEIVABLES

	2024	2023
	USD'000	*USD'000*
Within 6 months	**8,603**	52,323
6 to 12 months	**50**	–
Above 12 months	**787**	–
	9,440	52,323
Less: Impairment allowance	**461**	–
Net carrying amount	**8,979**	52,323

The Group's trading terms with its customers are based on the payment schedule of the contracts with normal credit terms of 10 to 45 days from the day of billing.

The ageing of major trade receivables as at the end of the reporting period, based on the date of invoice or the date of the service rendered, is less than six months and the expected credit loss is minimal.

Trade receivables are non-interest-bearing. The carrying amounts of trade receivables approximate to their fair values.

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2024	2023
	USD'000	*USD'000*
Other receivables	**9,867**	9,652
Prepayments *(i)*	**2,972**	2,947
Loans provided to an associate	**2,782**	2,824
Value-added tax recoverable	**1,537**	1,553
Deposits	**399**	401
	17,557	17,377
Less: Impairment allowance on Other receivables	**494**	501
Total	**17,063**	16,876
Less: Non-current portion Prepayments *(i)*	**23**	–
Current portion	**17,040**	16,876

(i) Prepayments primarily consist of prepayments made in connection with the purchase of reagents and research and development related devices and services, and other prepaid expenses.

The financial assets included in the above balances are non-interest-bearing, unsecured and repayable on demand.

Movements in the provision for impairment of other receivables are as follows:

	2024	2023
	USD'000	*USD'000*
At beginning of year	**501**	–
Impairment losses, net *(note 8)*	**–**	503
Exchange differences	**(7)**	(2)
At end of year	**494**	501

Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

20. OTHER FINANCIAL ASSETS

	2024		2023	
	Categories	**Carrying amount** ***USD'000***	Categories	Carrying amount *USD'000*
Assets:				
Debt instruments (including hybrid contracts):				
Unlisted equity investments	**FVPL**	**7,626**	FVPL	**5,747**
Total		**7,626**		**5,747**

FVPL: Financial assets or financial liabilities at fair value through profit or loss

The unlisted equity investments represent the Group's equity interests in unlisted PRC companies.

On 10 June 2021, the Group subscribed 590,625 shares of Shanghai NK Cells Technology Limited ("**NK**") and held 15.7895% interests in NK. The consideration of the subscription was RMB32,660,000 (equivalent to USD5.1 million) in the form of cash and RMB3,400,000 (equivalent to USD0.5 million) in the form of technology sub-licencing agreements.

The investment in NK is redeemable ordinary shares with preferential rights. The Group has the right to require and demand to redeem from the investee all of the shares held by the Group at a guaranteed predetermined fixed amount upon redemption events. The investment is accounted for as a debt instrument and is measured as a financial asset at fair value through profit or loss.

As at 31 December 2024, the interests of the Group held in NK was diluted to 10.90% when NK issued certain series A++ shares to certain investors.

21. CASH AND CASH EQUIVALENTS

	2024	2023
	USD'000	*USD'000*
Cash and cash balances	**167,702**	140,977
Time deposits with original maturity of more than three months but less than one year when acquired	**–**	–
Subtotal	**167,702**	140,977
Less:		
Restricted bank balances *(a)*	**881**	653
Cash and cash equivalents	**166,821**	140,324
Denominated in:		
USD	**148,492**	103,778
RMB	**16,836**	35,143
Others	**1,493**	1,403
Total	**166,821**	140,324

(a) As at 31 December 2024, cash in bank amounting to USD881,000 (31 December 2023: USD653,000) was restricted.

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. The remittance of funds out of Mainland China is subject to exchange restrictions imposed by the PRC government.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between seven days and twelve months depending on the immediate cash requirements of the Group and earn interest at the respective short-term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

22. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each year, based on the invoice date, is as follows:

	2024	2023
	USD'000	*USD'000*
Within 1 month	**2,288**	14,864
1 to 3 months	**934**	256
3 to 6 months	**385**	234
6 to 12 months	**1,469**	9
Above 12 months	**178**	–
Total	**5,254**	15,363

The trade payables are non-interest-bearing and are normally settled on terms of 1 to 3 months.

23. OTHER PAYABLES AND ACCRUALS

	2024	2023
	USD'000	*USD'000*
Payroll and welfare	**3,122**	3,357
Other payables	**1,740**	2,371
Other accrued expenses	**598**	3,746
Other tax payables	**577**	613
Total	**6,017**	10,087

Other payables are non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals approximate to their fair values.

24. CONTRACT LIABILITIES

	31 December 2024	31 December 2023	1 January 2023
	USD'000	*USD'000*	*USD'000*
Amounts received in advance for molecule licence fee	**14,202**	14,209	13,723
Amounts received in advance for research service fee	**1,306**	506	817
Amounts received in advance for the technology licence fee	**292**	610	790
Total	**15,800**	15,325	15,330
Less: Non-current portion	**14,250**	14,079	13,860
Current portion	**1,550**	1,246	1,470

25. INTEREST-BEARING BANK BORROWINGS

	2024	2023
	USD'000	*USD'000*
Bank borrowings – unsecured	**59,446**	64,407
Analysed into:		
On demand or within one year	**55,584**	36,560
More than one year, but not exceeding five years	**3,862**	27,847
Total	**59,446**	64,407
Current	**55,584**	36,560
Non-current	**3,862**	27,847

As at 31 December 2024, the Group's banking facilities amounted to RMB1,145,000,000 (31 December 2023: RMB1,110,000,000), of which RMB427,323,000 (31 December 2023: RMB456,174,000) had been utilised.

The bank borrowings carry interest at rates ranging from 1.5% to 3.55% (2023: 3.45% to 4.65%) per annum.

The directors estimate that the carrying amounts of the Group's current and non-current borrowings approximate to their fair values.

26. DEFERRED TAX

The movements in deferred tax liabilities during the year are as follows:

	Fair value adjustments arising from acquisition of subsidiaries and investments *USD'000*
31 December 2024	
As at 1 January 2024	**2,064**
Deferred tax credited to the consolidated statement of profit or loss during the year *(note 11)*	**488**
As at 31 December 2024	**2,552**
31 December 2023	
As at 1 January 2023	2,195
Deferred tax charged to the consolidated statement of profit or loss during the year *(note 11)*	(131)
As at 31 December 2023	2,064

Deferred tax assets have not been recognised in respect of the following items:

	2024 ***USD'000***	2023 *USD'000*
Tax losses	**360,934**	387,590
Deductible temporary differences	**5,826**	1,536
Total	**366,760**	389,126

The following table shows the tax losses information based on the locations of subsidiaries:

	2024 ***USD'000***	2023 *USD'000*
Mainland China (tax losses expire in one to ten years)	**329,693**	349,554
United States (tax losses with no expiration)	**18,536**	21,294
Netherlands (tax losses with no expiration)	**12,705**	16,742
Total	**360,934**	387,590

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange at **www.hkexnews.hk** and of the Company at **www.harbourbiomed.com**. The annual report of the Group for the year ended 31 December 2024 will be published on the aforesaid websites in due course.

By order of the Board
HBM Holdings Limited
Dr. Jingsong Wang
Chairman and
Executive Director

Hong Kong, 31 March 2025

As of the date of this announcement, the Board comprises Dr. Jingsong Wang and Dr. Yiping Rong as executive Directors; Dr. Robert Irwin Kamen, Dr. Xiaoping Ye, Dr. Albert R. Collinson and Ms. Weiwei Chen as independent non-executive Directors.