Healthcare

WCLC 2026: China innovative drugs step into the spotlight

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At the 2026 WCLC, Chinese innovative drugs continued to deliver robust clinical data, particularly in the Late-Breaking Abstract session. In this report, we present our analysis and key takeaways from pivotal clinical readouts across two promising therapeutic modalities: B7-H3 ADCs and PD-1/VEGF bsAb.

- **DualityBio: early Elfe-D combination data support the ADC + IO 2.0 thesis.** DualityBio's update on Elfe-D (B7-H3 ADC) plus pumitamig (PD-L1/VEGF bsAb) further strengthens our view that Elfe-D is among the more differentiated B7-H3 ADC assets in development, supported by a favorable safety profile and encouraging early efficacy. Across 193 treated patients with SCLC and NSCLC, the combination regimen showed a low Grade ≥3 TRAE rate of 23.3%, which in our view reinforces Elfe-D's ability to maintain a favorable therapeutic index in combination settings, consistent with prior monotherapy experience. Early efficacy in SCLC was also encouraging, with ORRs of 92.3% in first-line disease and 77.3% in second-line disease, comparing favorably on a directional basis with existing PD-L1-based regimens, tarlatamab, and B7-H3 ADCs. We look forward to data of the combination regimen in non-lung solid tumors at ESMO in October. With a global Phase 3 monotherapy study underway in chemo-naïve mCRPC and potential pivotal combination studies starting before mid-2027, we see Elfe-D as well positioned for early leadership in ADC-based IO combinations.
- **Hansoh: strong Ris-Rez data in 2L ES-SCLC validate the potential of B7-H3 ADCs**. Phase 3 ARTEMIS-008 showed Ris-Rez (B7-H3 ADC) delivered compelling efficacy versus topotecan in 2L ES-SCLC, with mOS of 18.5 vs 10.3 months, mPFS of 7.2 vs 3.0 months, and ORR of 58.3% vs 12.6%, which in our view positions Ris-Rez among the most competitive agents in terms of survival benefit. In cross-trial comparisons, Ris-Rez appears favorable on absolute OS in 2L SCLC versus both Tam-Peli, I-DXd and tarlatamab, and compares well even against first-line benchmark datasets. Safety appears manageable overall, with Grade ≥3 TRAEs of 60.9% versus 78.2% for control; ILD/pneumonitis occurred in ~12% of patients, including ~4% Grade 3 events and no Grade 4/5 cases, suggesting a more favorable pulmonary safety profile than I-DXd, though somewhat less clean than Tam-Peli on a cross-trial basis. Taken together, we believe ARTEMIS-008 further validates the potential of B7-H3 ADCs emerging as a meaningful new treatment option in solid tumors.
- **Akeso: HARMONi-2 OS win strengthens ivonescimab's front-line NSCLC positioning.** Akeso's WCLC update meaningfully strengthens the investment case for ivonescimab, with Phase 3 HARMONi-2 demonstrating a statistically significant and clinically meaningful OS benefit versus pembrolizumab in first-line PD-L1–positive NSCLC, with mOS of 30.8 versus 22.6 months (HR=0.73, P=0.009). The dataset is particularly compelling in key subgroups, including PD-L1 TPS ≥50% patients, where the OS HR improved to 0.58, and squamous NSCLC, where mOS reached 30.5 versus 19.3 months (HR=0.65), supporting the view that ivonescimab may overcome historical anti-VEGF limitations in squamous disease. Looking ahead, we look forward to the final global HARMONi-3 final PFS and interim OS readout in 2H26 and the FDA's 14 Nov 2026 decision on ivonescimab's BLA in second-line EGFR-mutant NSCLC, both of which we see as important catalysts for global validation.

Valuation Table

Name	Ticker	Rating	Mkt Cap (US$ mn)	TP (LC)	Upside/ Downside	P/E (x) FY27E	P/E (x) FY28E	P/B (x) FY27E	P/B (x) FY28E	ROE (%) FY27E	ROE (%) FY28E
Akeso	9926 HK	BUY	10,656.2	138.42	53%	106.3	49.8	8.1	7.1	0.1	0.2
DualityBio	9606 HK	BUY	2,131.6	284.50	55%	nm	nm	144.7	nm	(1.7)	nm
Hansoh Pharma	3692 HK	BUY	26,546.0	49.12	43%	26.6	25.1	4.0	3.6	0.2	0.2

Source: Company data, CMBIGM estimates

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DualityBio (9606 HK): Early Elfe-D combination data support the ADC + IO 2.0 thesis

Elfe-D continues to demonstrate a differentiated and favorable safety profile. At WCLC, DualityBio/BioNTech presented preliminary results from the Elfe-D plus pumitamig (PD-L1/VEGF-A bsAb) combination in NSCLC and SCLC in a Late-Breaking Abstract session (link). The dataset included safety findings across both NSCLC and SCLC, as well as initial efficacy data in SCLC. NSCLC efficacy remains early, with expansion enrollment ongoing, and is expected to be reported separately. Based on 193 treated patients across SCLC and NSCLC, the combination of Elfe-D (4.5/6mg) and pumitamig (20/30mg) demonstrated a favorable tolerability profile. Grade 3 or higher treatment-related adverse events (TRAEs) occurred in only 23.3% of patients, while treatment-related discontinuations were limited to 5.2%. In our view, these findings further reinforce the differentiated safety profile of Elfe-D. For context, in the Phase 1/2 solid tumor study of Elfe-D monotherapy at 6mg/kg, the rate of Grade 3 or higher TRAEs was 23.8% (link), while in mCRPC the corresponding rate was only 20.0%. While we will continue to monitor the durability of the safety profile with longer follow-up, the current dataset supports our view that Elfe-D has the potential to maintain a favorable therapeutic index both as monotherapy and in combination with next-generation immuno-oncology agents.

Preliminary efficacy signals support further development of the ADC + IO 2.0 strategy. We view the early efficacy data for Elfe-D plus pumitamig as encouraging and supportive of further clinical development. In first-line SCLC, the combination achieved an ORR of 92.3%. While cross-trial comparisons should be interpreted cautiously, this compares favorably with the approximately 60%–70% ORRs historically reported for PD-L1 antibody plus chemotherapy regimens, as well as the 71% ORR reported for tarlatamab in combination with PD-L1 antibody plus chemotherapy (link). In second-line SCLC, Elfe-D plus pumitamig generated an ORR of 77.3%, which also compares favorably versus the 58%–59% ORRs reported by B7-H3 ADCs YL201 and HS-20093 in their respective Phase 3 studies. Taken together, these early efficacy findings suggest that Elfe-D plus pumitamig could emerge as a competitive and differentiated ADC-based immuno-oncology regimen in SCLC. We also look forward to the efficacy readouts in NSCLC as enrollment and follow-up progress. In parallel, we expect preliminary data for the combination in non-lung solid tumors to be presented at the upcoming ESMO conference (OC, CC, HCC and HNSCC), which could further inform the broader applicability of the ADC + IO 2.0 strategy.

Global pivotal development could underpin blockbuster potential. Given its emerging efficacy profile and differentiated safety characteristics, we believe Elfe-D has the potential to evolve into a blockbuster asset. DualityBio and BioNTech are already advancing a global Phase 3 trial of Elfe-D in chemotherapy-naïve mCRPC, supported by competitive Phase 1/2 data. Beyond mCRPC, we expect the partners to initiate additional global pivotal studies evaluating Elfe-D plus pumitamig, as they seek to validate the broader ADC + IO 2.0 development thesis. In particular, we believe the combination has the potential to establish an early leadership position in the ADC + IO 2.0 landscape, with the first global pivotal study potentially commencing before mid-2027, with multiple others to follow in 2027. Although the B7-H3 ADC field is becoming increasingly crowded, we believe Elfe-D remains well positioned to capture meaningful global market share, supported by its favorable safety profile, promising efficacy signals, and potential first-mover advantage in novel ADC-based combination strategies. Additionally, the

onboarding of BioNtech's new management will accelerate Elfe-D's clinical development and broader strategic execution, in our view.

Hansoh (3692 HK): Strong Ris-Rez data in 2L ES-SCLC validate the potential of B7-H3 ADCs

Robust efficacy profile of Ris-Rez established in second-line ES-SCLC. Hansoh presented Phase 3 ARTEMIS-008 data for HS-20093/Ris-Rez, a B7-H3 ADC, in second-line extensive-stage SCLC at WCLC (link). The study demonstrated a highly compelling efficacy profile versus topotecan, with Ris-Rez reducing the risk of death by 54% and delivering mOS of 18.5 versus 10.3 months for control (HR=0.46, *P*<0.0001). The mPFS was 7.2 versus 3.0 months (HR=0.46), while ORR reached 58.3% versus 12.6%. In our view, these data position Ris-Rez as one of the most compelling agents reported to date in the 2L SCLC setting. For context, Merck/Daiichi Sankyo's BLA-stage B7-H3 ADC ifinatamab deruxtecan (I-DXd) delivered mOS, mPFS, and ORR of 12.0 months, 5.6 months, and 56.3%, respectively, in its pivotal Phase 2 study in second-line SCLC (link). Tarlatamab, a DLL3/CD3 bispecific, reported mOS of 13.6 months, mPFS of 4.2 months, and ORR of 35% in the same setting (link). Even relative to first-line benchmark data, Ris-Rez compares favorably on an absolute basis: in ASTRUM-005, serplulimab plus chemotherapy achieved mOS of 15.4 months, mPFS of 5.7 months, and ORR of 68.9% in first-line SCLC. Taken together, Ris-Rez's 18.5-month mOS and 7.2-month mPFS in second-line ES-SCLC underscore what we view as a highly differentiated efficacy profile. At the same meeting, MediLink/Roche also reported positive Phase 3 TAISHAN-302 data for tampelimab rezetecan (YL201; Tam-Peli), another B7-H3 ADC, in second-line SCLC at the WCLC. Tam-Peli achieved median OS of 13.3 versus 9.4 months for topotecan (HR=0.46), alongside mPFS of 7.4 months. While cross-trial comparisons should be interpreted with caution, Hansoh's Ris-Rez appears superior on absolute mOS, while mPFS appears broadly comparable between the two agents.

Safety profile appears manageable. The safety profile of Ris-Rez in ARTEMIS-008 appeared manageable overall. Grade 3 or higher TRAEs occurred in 60.9% of patients treated with Ris-Rez, compared with 78.2% in the topotecan arm, with hematologic toxicities representing the most common adverse events. In the pivotal study of I-DXd, Grade 3 or higher TRAEs occurred in 36.5% of patients; however, ILD/pneumonitis was reported in 12.4%, including 2.9% Grade 3 events and 1.5% fatal cases. In ARTEMIS-008, Ris-Rez was associated with an approximately 12% rate of ILD/pneumonitis, with 4% being Grade 3 and no Grade 4/5 events. In our view, this compares favorably with the ILD profile observed for I-DXd. By comparison, Tam-Peli reported a lower Grade 3 or higher TRAE rate of 46.4% in TAISHAN-302, numerically better than Ris-Rez's 60.9%. Similarly, ILD/pneumonitis was reported in 4.9% of Tam-Peli-treated patients, including 0.9% Grade 3 events and no Grade 4 or Grade 5 cases. As such, while Ris-Rez appears highly competitive on efficacy, its safety profile may be somewhat less clean than Tam-Peli on a cross-trial basis.

WCLC data further validate the B7-H3 ADC thesis. The strong activity demonstrated by ARTEMIS-008 and TAISHAN-302 in second-line SCLC supports the view that the B7-H3 ADC class could emerge as a meaningful new treatment option in solid tumors, potentially with a differentiated tolerability profile relative to other ADC modalities, including TROP2-directed agents. We also see growing strategic interest from MNCs in B7-H3 ADC. Merck's U.S. PDUFA date for I-DXd in SCLC is expected in Oct 2026. Meanwhile, Hansoh continues to advance Ris-Rez through multiple Phase 3 studies in China, including 2L SCLC, 3L+

osteosarcoma, 2L nsq-NSCLC, and 2L ESCC. In parallel, GSK is building a broad global development strategy for Ris-Rez, with potential pivotal programs spanning 2L and 1L SCLC, late-line CRPC, and chemo-naïve CRPC, among other indications. Roche has likewise signaled an intention to move rapidly in global development, while MediLink is advancing China Phase 3 trials of Tam-Peli across SCLC, ESCC, NPC, and PDAC. Taken together, we believe recent data and pipeline momentum increasingly support B7-H3 ADCs as a highly competitive and strategically important class within the next wave of oncology innovation.

Akeso (9926 HK): HARMONi-2 OS win strengthens ivonescimab's front-line NSCLC positioning.

HARMONi-2 delivers statistically significant OS benefit. Following the previously reported strong PFS outcome in HARMONi-2—mPFS of 11.1 months versus 8.2 months for pembrolizumab (HR=0.51)—and an earlier, still immature OS analysis showing an HR of 0.777 at 39% data maturity, Akeso announced at WCLC that the Phase 3 HARMONi-2 trial met its secondary OS endpoint in first-line PD-L1–positive NSCLC (link). Ivonescimab demonstrated a statistically significant and clinically meaningful overall survival benefit versus pembrolizumab, with mOS of 30.8 months versus 22.6 months (HR=0.73, *P*=0.009) at a median follow-up of 36 months.

Survival benefit appears particularly compelling in high PD-L1 and squamous NSCLC subgroups. Notably, ivonescimab delivered greater benefit in clinically important subpopulations, particularly among patients with high PD-L1 expression and those with squamous histology. In the PD-L1 TPS ≥50% subgroup, in which setting Summit is conducting global Phase 3 HARMONi-7 study, the OS hazard ratio improved further to 0.58 (95% CI: 0.38–0.89). In the squamous subgroup, which included patients with tumor cavitation/necrosis and tumors encasing large blood vessels—higher-risk features that had been excluded from HARMONi-6—ivonescimab achieved mOS of 30.5 months versus 19.3 months for pembrolizumab, corresponding to an HR of 0.65 (95% CI: 0.45–0.95). In our view, these data provide further evidence that ivonescimab may overcome the historical limitations associated with anti-VEGF-based approaches in squamous NSCLC.

The tolerability also supports use as a front-line chemo-free regimen. From a safety perspective, ivonescimab appeared generally well tolerated. Grade 3 or higher TRAEs were reported in 41.6% of patients, while treatment discontinuation due to TRAEs remained relatively limited at 4.1%. Grade 3 or higher proteinuria and hypertension occurred in 8.1% and 7.1% of patients, respectively. Overall, we believe the HARMONi-2 safety profile remains supportive of ivonescimab's use as a front-line chemo-free regimen, particularly in patients with high PD-L1 expression and in the squamous population, where the risk-benefit profile appears especially compelling.

Eyes on ivonescimab's upcoming global readout and FDA regulatory decision. Outside China, the first interim PFS analysis of the global HARMONi-3 trial in 1L sq-NSCLC did not meet statistical significance; however, the study remains blinded and ongoing, with Summit guiding to a final PFS readout in 2H26 alongside interim OS analyses. We view this upcoming dataset as a pivotal catalyst for assessing whether the strong efficacy observed in China can be replicated in Western populations. Separately, the FDA is expected to issue a decision on ivonescimab's BLA in second-line EGFR-mutant NSCLC by 14 Nov 2026. In our view, the probability of approval has improved, supported by longer follow-up from the underlying HARMONi study showing a consistent OS hazard ratio of 0.76 across both Asian and Western subgroups.

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