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RemeGen Co., Ltd.*

榮昌生物製藥（煙台）股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9995)

2023 THIRD QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the “RemeGen Co., Ltd. 2023 Third Quarterly Report” published by RemeGen Co., Ltd.* (the “**Company**”) on the website of the Shanghai Stock Exchange, for reference purpose only. The following is a translation of the 2023 Third Quarterly Report of the Company solely for the purpose of providing information. Should there be any discrepancies, the Chinese version will prevail.

The board of directors of the Company (the “**Board**”) reminds shareholders and potential investors of the Company that the information and financial data set out in this announcement are unaudited, and have not been reviewed by the audit committee and the independent auditors of the Company.

The unaudited financial data in the 2023 Third Quarterly Report set out in this announcement is prepared in accordance with the accounting principles of the People's Republic of China instead of the International Financial Reporting Standards, and are prepared pursuant to the requirements of the STAR Market of the Shanghai Stock Exchange only.

Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company.

By order of the Board
RemeGen Co., Ltd.*
Mr. Wang Weidong
Chairman and executive director

Yantai, PRC
October 30, 2023

As at the date of this announcement, the Board comprises Mr. Wang Weidong, Dr. Fang Jianmin, Dr. He Ruyi and Mr. Lin Jian as the executive directors, Dr. Wang Liqiang and Dr. Su Xiaodi as the non-executive directors, and Mr. Hao Xianjing, Dr. Ma Lan and Mr. Chen Yunjin as the independent non-executive directors.

* *For identification purpose only*

Stock Code: 688331

Ticker Symbol: RemeGen

RemeGen Co., Ltd.*

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The board of directors and all directors of the Company undertake that there are no false representations or misleading statements contained in, or material omissions from, this announcement, and accept responsibilities for the truthfulness, accuracy and completeness of its contents in accordance with the applicable laws.

IMPORTANT NOTICE:

The board of directors, supervisory committee, directors, supervisors and senior management of the Company undertake that the content of the quarterly report is true, accurate, complete and without any false records, misleading statements or material omissions and are severally and jointly liable therefor.

The Company's legal representative, person in charge of accounting function and person in charge of the accounting department (chief accounting officer) warrant the truthfulness, accuracy and completeness of the financial statements contained in the quarterly report.

Whether the third quarterly financial statements have been audited:

Yes No

I. KEY FINANCIAL INFORMATION

(i) Key accounting data and financial indicators

Unit: RMB Currency: Renminbi

Item	The Reporting Period	Increase/decrease compared with the	From the beginning of the year to the	Increase/decrease compared with
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		same period of the previous year (%)	end of the Reporting Period	the same period of the previous year (%)
Operating revenue	347,042,768.60	58.28	769,470,314.65	35.08
Net profit attributable to shareholders of the listed company	-327,225,062.41	N/A	-1,030,585,859.60	N/A
Net profit attributable to shareholders of the listed company after deducting non- recurring gains and losses	-332,851,058.16	N/A	-1,060,828,614.65	N/A
Net cash flows from operating activities	N/A	N/A	-1,114,762,180.68	N/A
Basic earnings per share (RMB/share)	-0.61	N/A	-1.91	N/A
Diluted earnings per share (RMB/share)	-0.61	N/A	-1.91	N/A
Weighted average return on equity (%)	-1.77	An increase of 9.29 percentage points	-16.87	An increase of 5.23 percentage points
Total R&D spending	317,524,948.47	49.16	857,977,852.40	29.50
R&D spending as a percentage of operating revenue (%)	91.49	A decrease of 5.59 percentage points	111.50	A decrease of 4.81 percentage points
	As at the end of the Reporting Period	As at the end of the previous year		Increase/decrease compared with

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			the end of the previous year (%)
Total assets	5,514,357,338.62	6,021,189,680.87	-8.42
Owners' equity attributable to shareholders of the listed company	3,956,241,477.59	4,980,299,629.44	-20.56

Note: "The Reporting Period" means the three-month period from the beginning of the quarter to the end of the quarter, the same hereinafter.

(ii) Non-recurring items and amounts

Unit: RMB Currency: Renminbi

Item	Current amount	Amount from the beginning of the year to the end of the Reporting Period	Description
Profits or losses on disposal of non-current assets	-273,237.93	-528,887.02	Net profits or losses on disposal of non-current assets
Government grants recognised as current profits and losses, except those that are closely related to the Company's ordinary course of business operations, comply with national policies, and are continuously obtained by fixed amount or fixed quantity based on a set of standards	5,709,953.61	29,333,445.62	Government grants recognised as other income
Profits and losses from changes in fair value arising from held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities, and	1,692,739.45	6,687,808.37	Gains from structured deposits

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investment income arising from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investment other than effective hedging business related to the Company's ordinary course of business operations			
Other non-operating income and expenses other than the above items	-1,503,459.38	-5,249,611.92	Donation expenses in majority
Total	5,625,995.75	30,242,755.05	

Explanation on defining the non-recurring items that are set out in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Non-recurring Gains and Losses as recurring items

Applicable Not Applicable

Unit: RMB Currency: Renminbi

Item	Amount involved	Reason
Additional value-added tax deductions	4,632,844.18	Tax incentives for business activities

(iii) Changes in key accounting data and financial indicators and reasons for changes

Applicable Not Applicable

Item	Percentage change (%)	Primary reason
Operating revenue_The Reporting Period	58.28	This was largely due to an increase in sales revenue as a result of the rise in sales volumes of telitacicept and disitamab vedotin for injection.
Operating revenue_From the beginning of the year to the end of the Reporting Period	35.08	
Net profit attributable to shareholders of the	N/A	With the advancement of each R&D pipeline, R&D expenses

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listed company_The Reporting Period		significantly increased. In addition, although sales revenue went up because of the rise in sales volumes of telitaccept and disitamab vedotin for injection, selling expenses increased amid continued investment in commercialisation capacity building.
Net profit attributable to shareholders of the listed company_From the beginning of the year to the end of the Reporting Period	N/A	
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses_The Reporting Period	N/A	
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses_From the beginning of the year to the end of the Reporting Period	N/A	
Basic earnings per share (RMB/share)_The Reporting Period	N/A	This was largely due to the decrease in net profit as a result of the above reasons.
Basic earnings per share (RMB/share)_From the beginning of the year to the end of the Reporting Period	N/A	
Diluted earnings per share (RMB/share)_The Reporting Period	N/A	
Diluted earnings per share (RMB/share)_From the beginning of the year to the end of the Reporting Period	N/A	
Total R&D spending_The Reporting Period	49.16	This was largely due to the increase in R&D pipelines for new drugs and the increase in costs from clinical trials and

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		testing and material costs as a result of a number of innovative drugs being at the critical experimental study stage. Labour costs went up because of the increase in R&D staff and salary level.
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II. SHAREHOLDER INFORMATION

- (i) Total number of ordinary shareholders, number of preferred shareholders with restored voting rights, and shareholding of the top ten shareholders

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period	5,045	Total number of preferred shareholders with restored voting rights as at the end of the Reporting Period (if any)	0				
Shareholding of the top ten shareholders							
Name of shareholder	Nature of shareholder	Number of shares held	Shareholding ratio (%)	Number of restricted shares held	Number of restricted shares including shares re-lent	Shares pledged, marked and frozen	
						Share status	Quantity
HKSCC Nominees Limited	Unknown	189,566,228	34.83	0	0	Unknown	-
Yantai Rongda Venture Capital Center (Limited Partnership)	Domestic non-state-owned legal person	102,381,891	18.81	102,381,891	102,381,891	Nil	0
Fang Jianmin	Overseas natural person	26,218,320	4.82	26,218,320	26,218,320	Nil	0
Yantai Rongqian Enterprise Management Center (Limited Partnership)	Domestic non-state-owned legal person	18,507,388	3.40	18,507,388	18,507,388	Nil	0
Yantai Rongyi Enterprise Management Center (Limited Partnership)	Domestic non-state-owned legal person	16,630,337	3.06	16,630,337	16,630,337	Nil	0

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PAG Growth Prosperity Holding I (HK) Limited	Overseas legal person	14,263,276	2.62	0	0	Nil	0
I-Nova Limited	Overseas legal person	13,600,000	2.50	13,600,000	13,600,000	Nil	0
Shenzhen Capital Group Co., Ltd.	State-owned legal person	11,636,933	2.14	0	0	Nil	0
SDIC (Shanghai) Venture Capital Management Co., Ltd. -Fund for Transformation of National Science and Technology Major Project	Domestic non-state-owned legal person	9,866,401	1.81	0	0	Nil	0
Yantai Rongshi Enterprise Management Center (Limited Partnership)	Domestic non-state-owned legal person	9,190,203	1.69	9,190,203	9,190,203	Nil	0
Shareholding of the top ten unrestricted shareholders							
Name of shareholder	Number of unrestricted outstanding shares held	Share type and quantity					
		Share type	Quantity				
HKSCC Nominees Limited	189,566,228	Overseas listed foreign shares	189,566,228				
PAG Growth Prosperity Holding I (HK) Limited	14,263,276	RMB-denominated ordinary share	14,263,276				
Shenzhen Capital Group Co., Ltd.	11,636,933	RMB-denominated ordinary share	11,636,933				
SDIC (Shanghai) Venture Capital Management Co., Ltd. - Fund for Transformation of National Science and Technology Major Project	9,866,401	RMB-denominated ordinary share	9,866,401				
Beijing Lapam Healthcare Investment Center (Limited Partnership)	7,538,084	RMB-denominated ordinary share	7,538,084				
Wholly Sunbeam Limited	7,047,405	RMB-denominated ordinary share	7,047,405				

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Bank of China Limited - E Fund Healthcare Sector Hybrid Fund	4,462,792	RMB-denominated ordinary share	4,462,792
Agricultural Bank of China Limited - Penghua Medical Tech Equity Securities Investment Fund	4,329,124	RMB-denominated ordinary share	4,329,124
Beijing Lapam Investment Management Consulting Center (General Partnership) – Tibet Lapam Yijing Venture Capital Center (Limited Partnership)	3,854,037	RMB-denominated ordinary share	3,854,037
Huatai Securities Asset Management – China Merchants Bank – Huatai RemeGen Home No. 1 Collective Asset Management Plan for Employee Stock Ownership on the STAR Market	3,097,662	RMB-denominated ordinary share	3,097,662
Description of the connected relationship or concerted actions among the above shareholders	Yantai Rongda Venture Capital Center (Limited Partnership), Fang Jianmin, I-Nova Limited		
Description of top ten shareholders' and top ten unrestricted shareholders' participation in margin trading and re-lending business (if any)	Nil		

Note 1: The shares held by HKSCC Nominees Limited (香港中央結算(代理人)有限公司) are shares held on behalf of several clients, and part of the H shares held by PAG Growth Prosperity Holding I (HK) Limited and I-Nova Limited are registered under HKSCC Nominees Limited.

III. OTHER REMINDERS

Other important information about the operation of the Company during the Reporting Period that investors should be reminded of

Applicable Not Applicable

IV. Quarterly Financial Statements

(i) Types of audit opinions

Applicable Not Applicable

(ii) Financial statements

Consolidated Balance Sheet

30 September 2023

Prepared by: RemeGen Co., Ltd.*

Unit: RMB Currency: Renminbi Audit type: Unaudited

Item	30 September 2023	31 December 2022
Current assets:		
Cash and bank balances	609,013,239.33	2,187,326,306.04
Held-for-trading financial assets	181,878,449.48	-
Accounts receivable	274,218,052.26	202,030,189.50
Receivables financing	138,850,954.06	79,155,840.68
Prepayments	263,521,938.71	198,700,325.00
Other receivables	28,663,216.01	17,940,248.67
Inventories	716,315,388.40	522,672,707.37
Other current assets	22,734,934.63	4,311,422.32
Total current assets	2,235,196,172.88	3,212,137,039.58
Non-current assets:		
Long-term equity investments	2,705,351.67	1,500,485.06
Investments in other equity instruments	137,060,675.39	79,693,491.83
Fixed assets	1,900,710,314.44	1,387,275,394.41
Construction in progress	874,410,600.56	1,014,928,170.22
Right-of-use assets	144,682,175.35	166,377,180.58
Intangible assets	59,112,635.88	55,861,363.91
Long-term deferred expenses	6,836,434.04	5,863,999.69
Deferred tax assets	3,662,653.49	-
Other non-current assets	149,980,324.92	97,552,555.59
Total non-current assets	3,279,161,165.74	2,809,052,641.29
Total assets	5,514,357,338.62	6,021,189,680.87
Current liabilities:		
Short-term borrowings	14,378,016.00	-

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Notes payable	59,244,656.92	112,819,550.58
Accounts payable	114,412,296.33	108,872,877.52
Contract liabilities	192,216.18	50,718.05
Payroll payable	180,556,528.80	130,857,277.15
Taxes payable	25,719,247.85	14,684,218.70
Other payables	329,478,051.75	440,247,288.98
Non-current liabilities due within one year	59,466,801.09	60,154,074.38
Other current liabilities	11,360,693.52	9,266,726.05
Total current liabilities	794,808,508.44	876,952,731.41
Non-current liabilities:		
Long-term borrowings	628,164,507.05	-
Lease liabilities	84,989,284.41	104,880,504.07
Deferred income	50,153,561.13	59,016,555.20
Deferred tax liabilities	-	40,260.75
Total non-current liabilities	763,307,352.59	163,937,320.02
Total liabilities	1,558,115,861.03	1,040,890,051.43
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	544,263,003.00	544,263,003.00
Capital reserve	6,208,194,353.94	6,233,470,133.66
Less: Treasury shares	423,315,645.36	463,027,903.80
Other comprehensive income	-33,163.06	7,875,607.90
Retained earnings	-2,372,867,070.93	-
		1,342,281,211.32
Total equity attributable to owners (or shareholders) of the parent company	3,956,241,477.59	4,980,299,629.44
Total owners' equity (or shareholders' equity)	3,956,241,477.59	4,980,299,629.44
Total liabilities and owners' equity (or shareholders' equity)	5,514,357,338.62	6,021,189,680.87

The Company's legal representative:
Wang Weidong

Person in charge of accounting function:
Tong Shaojing

Person in charge of the accounting department:
Wei Jianliang

Consolidated Statement of Income

January-September 2023

Prepared by: RemeGen Co., Ltd.*

Unit: RMB Currency: Renminbi Audit type: Unaudited

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Item	First three quarters of 2023 (January- September)	First three quarters of 2022 (January-September)
I. Total operating revenue	769,470,314.65	569,635,902.97
Including: Operating revenue	769,470,314.65	569,635,902.97
II. Total operating costs	1,819,967,398.27	1,275,365,048.88
Including: Operating costs	177,798,986.36	223,571,419.06
Taxes and surcharges	5,878,516.91	4,550,559.92
Selling expenses	539,790,867.31	277,655,225.92
Administrative expenses	242,865,841.79	160,657,733.46
R&D expenses	857,977,852.40	662,541,383.59
Finance costs	-4,344,666.50	-53,611,273.07
Including: Interest expenses	13,656,827.51	3,381,517.19
Interest income	19,054,230.73	47,988,016.63
Add: Other income	33,966,289.80	26,728,485.95
Gain from investment (loss denoted by "-")	1,473,364.03	-
Including: Gain from investments in associates and joint ventures	-45,133.39	-
Gain on derecognition of financial assets measured at amortised cost	1,518,497.42	-
Gain from changes in fair value (loss denoted by "-")	5,169,310.95	11,525,783.92
Credit impairment loss (loss denoted by "-")	-6,247,338.71	-9,123,368.29
Asset impairment loss (loss denoted by "-")	-8,671,903.11	-
Gain on disposal of assets (loss denoted by "-")	-	15,499.70
III. Operating profit (loss denoted by "-")	-1,024,807,360.66	-676,582,744.63
Add: Non-operating income	71,134.69	45,703.21

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Less: Non-operating expenses	5,849,633.63	11,682,192.50
IV. Total profit (total loss denoted by "-")	-1,030,585,859.60	-688,219,233.92
Less: Income tax expenses	-	-
V. Net profit (net loss denoted by "-")	-1,030,585,859.60	-688,219,233.92
(i) By continuity of operations		
1. Net profit from continuing operations (net loss denoted by "-")	-1,030,585,859.60	-688,219,233.92
(ii) By attribution of ownership		
1. Net profit attributable to shareholders of the parent company (net loss denoted by "-")	-1,030,585,859.60	-688,219,233.92
VI. Other comprehensive income, net of tax	-7,908,770.96	8,110,481.90
(i) Other comprehensive income attributable to owners of the parent company, net of tax	-7,908,770.96	8,110,481.90
1. Other comprehensive income not to be reclassified to profit or loss	-8,472,565.88	2,066,084.65
(1) Changes in fair value of other equity instruments investments	-8,472,565.88	2,066,084.65
2. Other comprehensive income to be reclassified to profit or loss	563,794.91	6,044,397.25
(1) Translation differences of the financial statements in foreign currency	563,794.91	6,044,397.25
VII. Total comprehensive income	-1,038,494,630.57	-680,108,752.02
(i) Total comprehensive income attributable to	-1,038,494,630.57	-680,108,752.02

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owners of the parent company		
VIII. Earnings per share:		
(i) Basic earnings per share (RMB/share)	-1.91	-1.32
(ii) Diluted earnings per share (RMB/share)	-1.91	-1.32

In case of a business combination under common control during the period, the net profit of the combined party which has been realised prior to the combination was RMB0, and the net profit of the combined party which has been realised in the previous period was RMB0.

The Company's legal representative:
Wang Weidong

Person in charge of accounting function:
Tong Shaojing

Person in charge of the accounting department:
Wei Jianliang

Consolidated Statement of Cash Flows

January-September 2023

Prepared by: RemeGen Co., Ltd.*

Unit: RMB Currency: Renminbi Audit type: Unaudited

Item	First three quarters of 2023 (January-September)	First three quarters of 2022 (January-September)
I. Cash flows from operating activities:		
Cash receipts from sales of goods and provision of services	591,572,268.92	186,301,012.43
Tax refund received	79,616,190.57	107,920,904.38
Cash received from other operating activities	46,957,338.20	79,893,775.96
Sub-total of cash inflows from operating activities	718,145,797.69	374,115,692.77
Cash paid for goods and services	212,674,329.63	324,755,496.57
Cash paid to and on behalf of employees	747,144,842.68	490,907,286.11
Cash paid for taxes and levies	14,431,136.99	11,659,881.41
Cash paid for other operating activities	858,657,669.07	627,085,882.96
Sub-total of cash outflows from operating activities	1,832,907,978.37	1,454,408,547.05
Net cash flows from operating activities	-1,114,762,180.68	-1,080,292,854.28
II. Cash flows from investment activities:		

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Cash received from the disposal of investments	788,000,000.00	678,000,000.00
Cash received from investment income	4,809,358.89	2,187,657.53
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	700.00	85,580.00
Cash received from other investment activities	54,145,233.66	5,380,437.61
Sub-total of cash inflows from investment activities	846,955,292.55	685,653,675.14
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	712,356,375.91	609,666,464.51
Cash paid for investments	1,039,003,578.83	1,235,711,442.05
Cash paid for other investment activities	15,964,000.00	-
Sub-total of cash outflows from investment activities	1,767,323,954.74	1,845,377,906.56
Net cash flows from investing activities	-920,368,662.19	-1,159,724,231.42
III. Cash flows from financing activities:		
Cash received from capital contributions	31,702,965.39	2,612,462,448.00
Cash received from borrowings	627,581,208.79	-
Sub-total of cash inflows from financing activities	659,284,174.18	2,612,462,448.00
Cash paid for distribution of dividends or profits or settlement of interest	11,026,941.56	2,917,786.96
Cash paid for other financing activities	136,628,651.43	171,520,360.90
Sub-total of cash outflows from financing activities	147,655,592.99	174,438,147.86
Net cash flows from financing activities	511,628,581.19	2,438,024,300.14
IV. Effects of changes in exchange rate on cash and cash equivalents	417,029.52	12,279,984.86
V. Net increase in cash and cash equivalents	-1,523,085,232.15	210,287,199.30
Add: Balance of cash and cash equivalents at the beginning of the period	2,069,180,189.50	1,756,821,120.31

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VI. Balance of cash and cash equivalents at the end of the period	546,094,957.35	1,967,108,319.61
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The Company's legal
representative:
Wang Weidong

Person in charge of
accounting function:
Tong Shaojing

Person in charge of the
accounting department:
Wei Jianliang

Adjustment of the financial statements for the beginning of 2023 when the Company implements the new accounting standards or interpretations for the first time

Applicable Not Applicable

This is hereby notified.

Board of directors of RemeGen Co., Ltd.
30 October, 2023