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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)

2024 FIRST 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. 2024 First 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 2024 First Quarterly Report of the Company solely for the purpose of providing information. Should there be any discrepancies, the Chinese version shall 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, have been reviewed by the audit committee but have not been reviewed by the independent auditors of the Company.

The unaudited financial data in the 2024 First 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
April 26, 2024

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 first 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 same period of the previous year (%)
	As at the end of the Reporting Period	As at the end of the previous year	
Operating revenue	330,434,802.62		96.41
Net profit attributable to shareholders of the listed company	-348,921,696.49		N/A
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	-345,576,207.04		N/A
Net cash flows from operating activities	-426,289,929.83		N/A
Basic earnings per share (RMB/share)	-0.65		N/A
Diluted earnings per share (RMB/share)	-0.65		N/A
Weighted average return on equity (%)	-10.72		A decrease of 4.32 percentage points
Total R&D spending	331,178,800.01		32.62
R&D spending as a percentage of operating revenue (%)	100.23		A decrease of 48.20 percentage points
	As at the end of the Reporting Period	As at the end of the previous year	Increase/decrease compared with the end of the previous year (%)
Total assets	5,478,656,892.82	5,528,240,704.59	-0.90
Owners' equity attributable to shareholders of the listed company	3,078,552,195.74	3,437,268,153.89	-10.44

(ii) Non-recurring items and amounts

Applicable Not Applicable

Unit: RMB Currency: Renminbi

Non-recurring items	Current amount	Description
Profits or losses on disposal of non-current assets, including the write-off of the asset impairment provisions	-97,550.08	Net 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, granted based on determined standards, and have a lasting impact on the Company's profits and losses	676,810.07	Government grants recognised as other income and non-operating revenue
Profits and losses from changes in fair value arising from financial assets and financial liabilities held by non-financial enterprises and profits and losses from disposal of financial assets and financial liabilities other than effective hedging business related to the Company's ordinary course of business operations	-49,464.61	Changes in fair value of other non-current financial assets
Other non-operating income and expenses other than the above items	-3,875,284.83	Donation expenses in majority
Total	-3,345,489.45	

Explanations are required for defining items that are not 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 non-recurring items with significant amounts and for 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	8,700,731.90	Tax incentives for business activities
Government grants related to long-term assets	2,355,123.44	Lasting impact on the Company's profits and losses

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

√ Applicable □ Not Applicable

Item	Percentage change (%)	Primary reason
Operating revenue	96.41	Sales volumes of telitacicept and disitamab vedotin of the Company for the Reporting Period increased
Total R&D spending	32.62	With the advancement of each R&D pipeline , and a number of innovative drugs being at the critical experimental study stage, R&D expenses increased
R&D spending as a percentage of operating revenue (%)	A decrease of 48.20 percentage points	Mainly due to the significant increase in operating revenue and the decrease in the percentage of R&D spending

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	5,422	Total number of preferred shareholders with restored voting rights as at the end of the Reporting Period (if any)	-				
Shareholding of the top ten shareholders (excluding shares re-lent)							
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	189,566,728	34.83	0	0	Unknown	-

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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
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
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

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Beijing Lapam Healthcare Investment Center (Limited Partnership)	Domestic non-state-owned legal person	7,538,084	1.38	0	0	Nil	0
Bank of China Limited - E Fund Healthcare Sector Hybrid Fund	Domestic non-state-owned legal person	5,200,269	0.96	0	0	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	189,566,728	Overseas listed foreign shares	189,566,728				
PAG Growth Prosperity Holding I (HK) Limited	14,263,276	RMB-denominated ordinary shares	14,263,276				
Beijing Lapam Healthcare Investment Center (Limited Partnership)	7,538,084	RMB-denominated ordinary shares	7,538,084				
Bank of China Limited - E Fund Healthcare Sector Hybrid Fund	5,200,269	RMB-denominated ordinary shares	5,200,269				
Agricultural Bank of China Limited - Penghua Medical Tech Equity Securities Investment Fund	4,676,823	RMB-denominated ordinary shares	4,676,823				
Shenzhen Capital Group Co., Ltd.	4,470,561	RMB-denominated ordinary shares	4,470,561				
Lu Thai Textile Co., Ltd.	3,918,265	RMB-denominated ordinary shares	3,918,265				
Industrial and Commercial Bank of China Limited - China- Europe Medical and Health Hybrid Securities Investment Fund	3,618,176	RMB-denominated ordinary shares	3,618,176				

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SDIC (Shanghai) Venture Capital Management Co., Ltd. - Fund for Transformation of National Science and Technology Major Project	3,551,255	RMB-denominated ordinary shares	3,551,255
Shanghai Liyi Investment Management Partnership (Limited Partnership) - Suzhou Likang Equity Investment Center (Limited Partnership)	3,062,235	RMB-denominated ordinary shares	3,062,235
Description of the connected relationship or concerted actions among the above shareholders	Yantai Rongda Venture Capital Center (Limited Partnership), Fang Jianmin, I-Nova Limited established a concerted action relationship		
Description of top ten shareholders' and top ten unrestricted shareholders' participation in margin trading and re-lending business (if any)	At the beginning of the Reporting Period, Lu Thai Textile Co., Ltd. re-lent 1,425,000 shares and all of which were returned at the end of the Reporting Period		

Note 1: The shares held by HKSCC Nominees Limited (香港中央結算(代理人)有限公司) are shares it holds 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.

Note 2: As of the end of the Reporting Period, there were a total number of 5,397 Class A ordinary shareholders and 25 Class H ordinary shareholders, totalling 5,422 ordinary shareholders.

Participation of Shareholders with more than 5% shareholding, top ten shareholders and top ten unrestricted outstanding shareholders in re-lending business

√ Applicable □ Not Applicable

Unit: share

Participation of Shareholders with more than 5% shareholding, top ten shareholders and top ten unrestricted outstanding shareholders in re-lending business								
Name of shareholder (full name)	Shares held in ordinary account and credit account at the beginning of the period		Shares re-lent and not yet returned at the beginning of the period		Shares held in ordinary account and credit account at the end of the period		Shares re-lent and not yet returned at the end of the period	
	Total number	ratio (%)	Total number	ratio (%)	Total number	ratio (%)	Total number	ratio (%)
Lu Thai Textile Co., Ltd.	2,493,265	0.46	1,425,000	0.26	3,918,265	0.72	0	0.00

Changes in top ten shareholders and top ten unrestricted outstanding shareholders arising from re-lending/returning over the previous period

Applicable Not Applicable

Unit: share

Changes in top ten shareholders and top ten unrestricted outstanding shareholders arising from re-lending/returning over the previous period					
Name of shareholder (full name)	Added/exit ed at the Reporting Period	Number of shares re-lent and not yet returned at the end of the period		Number of shares held by shareholders in ordinary account and credit account and re-lent and not yet returned at the end of the period	
		Total number	ratio (%)	Total number	ratio (%)
Lu Thai Textile Co., Ltd.	Added	0	0.00	3,918,265	0.72

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

31 March 2024

Prepared by: RemeGen Co., Ltd.*

Unit: RMB Currency: Renminbi Audit type: Unaudited

Item	31 March 2024	31 December 2023
Current assets:		
Cash and bank balances	622,789,439.47	743,392,716.82
Bills receivable	110,706,722.42	78,695,674.95
Accounts receivable	296,377,191.90	297,677,608.93
Receivables financing	61,693,042.71	44,044,931.02
Prepayments	291,290,257.15	270,294,849.12
Other receivables	49,435,238.53	29,011,543.89
Inventories	751,473,242.66	741,559,576.19
Other current assets	18,403,477.85	24,255,054.24
Total current assets	2,202,168,612.69	2,228,931,955.16
Non-current assets:		
Long-term equity investments	9,000,788.49	2,705,448.20
Investments in other equity instruments	68,486,996.52	93,521,672.55
Other non-current financial assets	1,950,535.39	2,000,000.00
Fixed assets	2,195,752,559.07	2,031,305,563.72
Construction in progress	623,143,112.34	795,718,495.54
Right-of-use assets	123,292,317.05	132,248,412.02
Intangible assets	144,875,167.66	143,781,479.65
Long-term deferred expenses	6,701,387.06	6,833,576.52
Other non-current assets	103,285,416.55	91,194,101.23
Total non-current assets	3,276,488,280.13	3,299,308,749.43
Total assets	5,478,656,892.82	5,528,240,704.59
Current liabilities:		
Short-term borrowings	574,000,648.97	284,276,638.87
Notes payable	-	13,994,347.44
Accounts payable	125,408,470.48	125,336,595.88
Contract liabilities	9,833,198.56	11,398,410.09
Payroll payable	180,021,573.90	194,940,951.34
Taxes payable	10,605,606.48	34,694,547.74
Other payables	310,520,251.58	391,160,258.67
Non-current liabilities due within one year	59,283,276.00	60,443,433.90
Other current liabilities	12,929,940.25	11,877,366.49
Total current liabilities	1,282,602,966.22	1,128,122,550.42
Non-current liabilities:		
Long-term borrowings	1,003,365,763.39	840,588,019.63
Lease liabilities	64,398,237.87	74,675,060.11
Deferred income	49,737,729.60	46,075,693.04

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Deferred tax liabilities	-	1,511,227.50
Total non-current liabilities	1,117,501,730.86	962,850,000.28
Total liabilities	2,400,104,697.08	2,090,972,550.70
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	544,332,083.00	544,263,003.00
Capital reserve	6,251,640,596.24	6,237,868,188.53
Less: Treasury shares	440,663,441.59	440,310,281.32
Other comprehensive income	-74,324,957.40	-51,042,368.30
Retained earnings	-3,202,432,084.51	-2,853,510,388.02
Total equity attributable to owners (or shareholders) of the parent company	3,078,552,195.74	3,437,268,153.89
Total owners' equity (or shareholders' equity)	3,078,552,195.74	3,437,268,153.89
Total liabilities and owners' equity (or shareholders' equity)	5,478,656,892.82	5,528,240,704.59

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-March 2024

Prepared by: RemeGen Co., Ltd.*

Unit: RMB Currency: Renminbi Audit type: Unaudited

Item	Q1 2024	Q1 2023
I. Total operating revenue	330,434,802.62	168,238,991.99
Including: Operating revenue	330,434,802.62	168,238,991.99
II. Total operating costs	682,453,542.19	506,546,573.98
Including: Operating costs	74,359,654.52	25,106,982.19
Taxes and surcharges	4,438,577.93	2,013,827.99
Selling expenses	187,504,942.42	157,818,716.97
Administrative expenses	74,259,896.00	78,745,272.86
R&D expenses	331,178,800.01	249,722,218.25
Finance costs	10,711,671.31	-6,860,444.28
Including: Interest expenses	12,859,889.20	2,600,792.61
Interest income	3,373,492.81	9,708,389.93
Add: Other income	11,732,665.41	11,235,341.58
Gain from investment (loss denoted by “-”)	45,340.29	289,904.98
Including: Gain from investments in associates and joint ventures	45,340.29	652.93
Gain on derecognition of financial assets measured at amortised cost	-	289,252.05
Gain from changes in fair value (loss denoted by “-”)	-49,464.61	2,725,666.67
Credit impairment loss (loss denoted by “-”)	-4,658,663.10	1,890,500.02
III. Operating profit (loss denoted by “-”)	-344,948,861.58	-322,166,168.74
Add: Non-operating income	68,680.78	13,339.26
Less: Non-operating expenses	4,041,515.69	1,621,802.32
IV. Total profit (total loss denoted by “-”)	-348,921,696.49	-323,774,631.80
Less: Income tax expenses	-	-
V. Net profit (net loss denoted by “-”)	-348,921,696.49	-323,774,631.80
(i) By continuity of operations		
1. Net profit from continuing operations (net loss denoted by “-”)	-348,921,696.49	-323,774,631.80
(ii) By attribution of ownership		
1. Net profit attributable to shareholders of the parent company (net loss denoted by “-”)	-348,921,696.49	-323,774,631.80
VI. Other comprehensive income, net of tax	-23,282,589.10	-2,855,471.78
(i) Other comprehensive income attributable to owners of the parent company, net of tax	-23,282,589.10	-2,855,471.78
1. Other comprehensive income not to be reclassified to profit or loss	-15,408,173.74	-1,407,108.15

(1) Changes in fair value of other equity instruments investments	-15,408,173.74	-1,407,108.15
2. Other comprehensive income to be reclassified to profit or loss	-7,874,415.36	-1,448,363.63
(1) Translation differences of the financial statements in foreign currency	-7,874,415.36	-1,448,363.63
VII. Total comprehensive income	-372,204,285.59	-326,630,103.58
(i) Total comprehensive income attributable to owners of the parent company	-372,204,285.59	-326,630,103.58
VIII. Earnings per share:		
(i) Basic earnings per share (RMB/share)	-0.65	-0.60
(ii) Diluted earnings per share (RMB/share)	-0.65	-0.60

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-March 2024

Prepared by: RemeGen Co., Ltd.*

Unit: RMB Currency: Renminbi Audit type: Unaudited

Item	Q1 2024	Q1 2023
I. Cash flows from operating activities:		
Cash receipts from sales of goods and provision of services	277,138,726.65	186,436,720.15
Tax refund received	24,522.43	25,681,244.83
Cash received from other operating activities	11,965,476.19	12,296,014.32
Sub-total of cash inflows from operating activities	289,128,725.27	224,413,979.30
Cash paid for goods and services	27,669,837.22	59,388,252.17
Cash paid to and on behalf of employees	296,497,738.42	265,391,112.16
Cash paid for taxes and levies	18,484,590.02	5,095,532.43
Cash paid for other operating activities	372,766,489.44	244,384,479.92
Sub-total of cash outflows from operating activities	715,418,655.10	574,259,376.68
Net cash flows from operating activities	-426,289,929.83	-349,845,397.38
II. Cash flows from investment activities:		
Cash received from the disposal of investments	-	68,000,000.00
Cash received from investment income	-	289,252.05
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	22,808.33	-
Cash received from other investment activities	13,994,347.44	-
Sub-total of cash inflows from investment activities	14,017,155.77	68,289,252.05
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	89,129,646.48	166,660,276.89
Cash paid for investments	6,250,000.00	439,250,000.00
Cash paid for other investment activities	-	46,468,386.70
Sub-total of cash outflows from investment activities	95,379,646.48	652,378,663.59
Net cash flows from investing activities	-81,362,490.71	-584,089,411.54
III. Cash flows from financing activities:		
Cash received from capital contributions	515,394.93	-
Cash received from borrowings	441,489,344.49	-

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Sub-total of cash inflows from financing activities	442,004,739.42	-
Cash paid for repayment of debts	150,000.00	-
Cash paid for distribution of dividends or profits or settlement of interest	9,004,424.73	2,163,257.33
Cash paid for other financing activities	30,862,653.34	45,674,758.94
Sub-total of cash outflows from financing activities	40,017,078.07	47,838,016.27
Net cash flows from financing activities	401,987,661.35	-47,838,016.27
IV. Effects of changes in exchange rate on cash and cash equivalents	-1,154,596.75	-1,074,927.12
V. Net increase in cash and cash equivalents	-106,819,355.94	-982,847,752.31
Add: Balance of cash and cash equivalents at the beginning of the period	726,551,931.36	2,069,180,189.50
VI. Balance of cash and cash equivalents at the end of the period	619,732,575.42	1,086,332,437.19

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 2024 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.
April 26, 2024