

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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 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. 2023 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 2023 First 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 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 27, 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.

## 2023 FIRST QUARTERLY REPORT

The board of directors and all directors of the Company guarantee 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 law.

### IMPORTANT NOTICE

The board of directors, board of supervisors, 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 data 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
------	----------------------	-------------------

**2023 FIRST QUARTERLY REPORT**

			compared with the same period of the previous year (%)
Operating revenue		168,238,991.99	12.06
Net profit attributable to shareholders of the listed company		-323,774,631.80	N/A
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses		-331,792,406.63	N/A
Net cash flows from operating activities		-349,845,397.38	N/A
Basic earnings per share (RMB/share)		-0.60	N/A
Diluted earnings per share (RMB/share)		-0.60	N/A
Weighted average return on equity (%)		-6.40	An increase of 2.28 percentage points
Total R&D spending		249,722,218.25	14.46
R&D as a percentage of operating revenue (%)		148.43	An increase of 3.11 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	5,678,394,849.53	6,021,189,680.87	-5.69
Owners' equity attributable to shareholders of the listed company	4,680,703,935.30	4,980,299,629.44	-6.02

**2023 FIRST QUARTERLY REPORT**

(II) Non-recurring items and amounts

Unit: RMB Currency: Renminbi

Item	Current amount	Description
Profits or losses on disposal of non-current assets	-132,552.93	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 normal course of business operations, comply with national policies, and are continuously obtained by fixed amount or fixed quantity based on a set of standards	6,611,319.17	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 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 normal course of business operations	3,014,918.72	Gains from structured deposits
Other non-operating income and expenses other than the above items	-1,475,910.13	Mainly are donation expenses
Other gains and losses classified to non-recurring profits or losses	-	
Less: Impact on income tax	-	
Impact of non-controlling interests (after tax)	-	
<b>Total</b>	<b>8,017,774.83</b>	

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

Changes in key accounting data and financial indicators and reasons for changes

Applicable  Not Applicable

## II. SHAREHOLDER INFORMATION

(I) Total number of ordinary shareholders, number of preferred shareholders with restored voting rights, and holdings of the top ten shareholders

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period		5,654	Total number of preferred shareholders with restored voting rights as at the end of the Reporting Period (if any)		-		
Holdings 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	-	-	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	-
Fang Jianmin	Overseas natural person	26,218,320	4.82	26,218,320	26,218,320	Nil	-
SDIC (Shanghai) Venture Capital Management Co., Ltd. - Fund for the transformation of National Science and Technology Major Project	Domestic non-state-owned legal person	24,732,556	4.54	-	-	Nil	-
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	-
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	-
PAG Growth Prosperity Holding I (HK) Limited	Overseas legal person	15,076,145	2.77	-	-	Nil	-

**2023 FIRST QUARTERLY REPORT**

I-Nova Limited	Overseas legal person	13,600,000	2.50	13,600,000	13,600,000	Nil	-
Shenzhen Capital Group Co., Ltd.	State-owned legal person	12,813,478	2.35	-	-	Nil	-
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	-
<b>Holdings of the top ten unrestricted shareholders</b>							
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				
SDIC (Shanghai) Venture Capital Management Co., Ltd. - Fund for the transformation of National Science and Technology Major Project	24,732,556	RMB-denominated ordinary shares	24,732,556				
PAG Growth Prosperity Holding I (HK) Limited	15,076,145	RMB-denominated ordinary shares	15,076,145				
Shenzhen Capital Group Co., Ltd.	12,813,478	RMB-denominated ordinary shares	12,813,478				
Wholly Sunbeam Limited	7,846,855	RMB-denominated ordinary shares	7,846,855				
Beijing Lapam Healthcare Investment Center (Limited Partnership)	7,538,084	RMB-denominated ordinary shares	7,538,084				
Luthai Textile Co., Ltd.	4,218,265	RMB-denominated ordinary shares	4,218,265				
Beijing Lapam Investment Management Consulting Center (General Partnership) – Tibet Lapam Yijing Venture Capital Center (Limited Partnership)	3,854,037	RMB-denominated ordinary shares	3,854,037				
SDIC Unity Capital Co., Ltd. – SDIC Unity National Emerging Industry Venture Capital Guidance Fund (Limited Partnership)	3,708,042	RMB-denominated ordinary shares	3,708,042				

**2023 FIRST QUARTERLY REPORT**

HuaTai Securities Asset Management – China Merchants Bank – Huatai RemeGen Home No. 1 Collective Asset Management Plan for Employee Stock Ownership on the STAR Market	3,442,630	RMB-denominated ordinary shares	3,442,630
Description of the connected relationship or concerted actions among the above shareholders	Yantai Rongda Venture Capital Center (Limited Partnership), Fang Jianmin and 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)	As of the end of the Reporting Period, HuaTai Securities Asset Management – China Merchants Bank – Huatai RemeGen Home No. 1 Collective Asset Management Plan for Employee Stock Ownership on the STAR Market re-lent 2,000,000 shares. Other than the above, the Company is not aware of any participation of other top ten shareholders' and top ten unrestricted shareholders in margin trading and re-lending business.		

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 5,628 Class A ordinary shareholders and 26 Class H ordinary shareholders, totalling 5,654 ordinary shareholders.

**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 2023

Prepared by: RemeGen Co., Ltd.

Unit: RMB Currency: Renminbi Audit type: Unaudited

<b>Item</b>	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>Current assets:</b>		
Cash and bank balances	1,250,643,639.07	2,187,326,306.04
Held-for-trading financial assets	372,725,666.67	-
Accounts receivable	159,610,744.76	202,030,189.50
Receivables financing	76,855,520.39	79,155,840.68
Prepayments	228,734,449.14	198,700,325.00
Other receivables	52,738,120.60	17,940,248.67
Inventories	624,319,110.74	522,672,707.37
Other current assets	8,743,082.80	4,311,422.32
Total current assets	2,774,370,334.17	3,212,137,039.58
<b>Non-current assets:</b>		
Long-term equity investments	2,751,137.99	1,500,485.06
Investments in other equity instruments	77,817,347.63	79,693,491.83
Fixed assets	1,419,122,714.75	1,387,275,394.41
Construction in progress	1,081,186,533.84	1,014,928,170.22
Right-of-use assets	150,906,814.85	166,377,180.58
Intangible assets	61,360,261.57	55,861,363.91
Long-term deferred expenses	5,524,616.94	5,863,999.69
Deferred tax assets	428,775.30	-
Other non-current assets	104,926,312.49	97,552,555.59
Total non-current assets	2,904,024,515.36	2,809,052,641.29
Total assets	5,678,394,849.53	6,021,189,680.87
<b>Current liabilities:</b>		
Short-term borrowings	4,000,000.00	-
Notes payable	159,287,937.28	112,819,550.58

**2023 FIRST QUARTERLY REPORT**

Accounts payable	116,289,853.88	108,872,877.52
Contract liabilities	954,583.51	50,718.05
Payroll payable	129,993,968.15	130,857,277.15
Taxes payable	7,251,204.52	14,684,218.70
Other payables	369,902,113.26	440,247,288.98
Non-current liabilities due within one year	58,392,733.64	60,154,074.38
Other current liabilities	7,616,863.18	9,266,726.05
Total current liabilities	853,689,257.42	876,952,731.41
<b>Non-current liabilities:</b>		
Lease liabilities	89,842,419.03	104,880,504.07
Deferred income	54,159,237.78	59,016,555.20
Deferred tax liabilities	-	40,260.75
Total non-current liabilities	144,001,656.81	163,937,320.02
Total liabilities	997,690,914.23	1,040,890,051.43
<b>Owners' equity (or shareholders' equity):</b>		
Paid-in capital (or share capital)	544,263,003.00	544,263,003.00
Capital reserve	6,169,033,483.65	6,233,470,133.66
Less: treasury shares	371,556,844.36	463,027,903.80
Other comprehensive income	5,020,136.12	7,875,607.90
Retained earnings	-1,666,055,843.12	-1,342,281,211.32
Total equity attributable to owners (or shareholders) of the parent company	4,680,703,935.30	4,980,299,629.44
Total owners' equity (or shareholders' equity)	4,680,703,935.30	4,980,299,629.44
Total liabilities and owners' equity (or shareholders' equity)	5,678,394,849.53	6,021,189,680.87

The Company's legal representative:  
Wang Weidong

Person in charge of accounting function:  
Li Jia

Person in charge of the Accounting Department:  
Wei Jianliang

**2023 FIRST QUARTERLY REPORT**

**Consolidated Statement of Income**

January–March 2023

Prepared by: RemeGen Co., Ltd.

Unit: RMB Currency: Renminbi Audit type: Unaudited

<b>Item</b>	<b>Q1 2023</b>	<b>Q1 2022</b>
I. Total operating revenue	<b>168,238,991.99</b>	<b>150,135,067.62</b>
Including: Operating revenue	168,238,991.99	150,135,067.62
II. Total operating costs	506,546,573.98	438,730,733.58
Including: Operating costs	25,106,982.19	97,508,877.46
Taxes and surcharges	2,013,827.99	1,552,559.26
Selling expenses	157,818,716.97	80,784,391.23
Administrative expenses	78,745,272.86	49,055,924.93
R&D expenses	249,722,218.25	218,173,558.62
Finance costs	-6,860,444.28	-8,344,577.92
Including: Interest expenses	2,600,792.61	1,200,072.69
Interest income	9,708,389.93	10,295,113.97
Add: Other income	11,235,341.58	7,390,154.09
Gain from investment (loss denoted by "-")	289,904.98	-
Including: Gain from investments in associates and joint ventures	652.93	-
Gain on derecognition of financial assets measured at amortised cost	289,252.05	-
Gain from changes in fair value (loss denoted by "-")	2,725,666.67	-
Credit impairment loss (loss denoted by "-")	1,890,500.02	-1,465,135.20
III. Operating profit (loss denoted by "-")	-322,166,168.74	-282,670,647.07
Add: Non-operating income	13,339.26	3,339.90
Less: Non-operating expenses	1,621,802.32	4,163,208.98
IV. Total profit (total loss denoted by "-")	-323,774,631.80	-286,830,516.15
Less: Income tax expenses	-	-
V. Net profit (net loss denoted by "-")	-323,774,631.80	-286,830,516.15
(I) By continuity of operations		
1. Net profit from continuing operations (net loss denoted by "-")	-323,774,631.80	-286,830,516.15

**2023 FIRST QUARTERLY REPORT**

(II) By attribution of ownership		
1. Net profit attributable to shareholders of the parent company (net loss denoted by "-")	-323,774,631.80	-286,830,516.15
VI. Other comprehensive income, net of tax	-2,855,471.78	-784,969.96
(I) Other comprehensive income attributable to owners of the parent company, net of tax	-2,855,471.78	-784,969.96
1. Other comprehensive income not to be reclassified to profit or loss	-1,407,108.15	-
(1) Changes in fair value of other equity instruments investments	-1,407,108.15	-
2. Other comprehensive income to be reclassified to profit or loss	-1,448,363.63	-784,969.96
(1) Translation differences of the financial statements in foreign currency	-1,448,363.63	-784,969.96
VII. Total comprehensive income	-326,630,103.58	-287,615,486.11
(I) Total comprehensive income attributable to owners of the parent company	-326,630,103.58	-287,615,486.11
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	-0.60	-0.59
(II) Diluted earnings per share (RMB/share)	-0.60	-0.59

For business combination under common control during the current period, the net profit of the combined party realised prior to the combination was nil, and the net profit of the combined party realised in the previous period was nil.

The Company's legal representative:  
Wang Weidong

Person in charge of accounting function:  
Li Jia

Person in charge of the Accounting Department:  
Wei Jianliang

## Consolidated Statement of Cash Flows

January–March 2023

Prepared by: RemeGen Co., Ltd.

Unit: RMB Currency: Renminbi Audit type: Unaudited

Item	Q1 2023	Q1 2022
<b>I. Cash flows from operating activities:</b>		
Cash receipts from sales of goods and provision of services	186,436,720.15	66,339,681.46
Tax refund received	25,681,244.83	27,420,872.62
Cash received from other operating activities	12,296,014.32	21,920,000.48
Sub-total of cash inflows from operating activities	224,413,979.30	115,680,554.56
Cash paid for goods and services	59,388,252.17	91,643,319.10
Cash paid to and on behalf of employees	265,391,112.16	165,509,262.09
Cash paid for taxes and levies	5,095,532.43	3,932,951.14
Cash paid for other operating activities	244,384,479.92	205,073,089.55
Sub-total of cash outflows from operating activities	574,259,376.68	466,158,621.88
Net cash flows from operating activities	-349,845,397.38	-350,478,067.32
<b>II. Cash flows from investing activities:</b>		
Cash received from the disposal of investments	68,000,000.00	-
Cash received from investment income	289,252.05	-
Sub-total of cash inflows from investment activities	68,289,252.05	-
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	166,660,276.89	172,597,053.75
Cash paid for investments	439,250,000.00	-
Cash paid for other investment activities	46,468,386.70	10,476,541.00
Sub-total of cash outflows from investment activities	652,378,663.59	183,073,594.75
Net cash flows from investing activities	-584,089,411.54	-183,073,594.75
<b>III. Cash flows from financing activities:</b>		
Cash received from capital contributions	-	2,612,462,448.00

**2023 FIRST QUARTERLY REPORT**

Sub-total of cash inflows from financing activities	-	2,612,462,448.00
Cash paid for distribution of dividends or profits or settlement of interest	2,163,257.33	581,521.24
Cash paid for other financing activities	45,674,758.94	98,132,199.90
Sub-total of cash outflows from financing activities	47,838,016.27	98,713,721.14
Net cash flows from financing activities	-47,838,016.27	2,513,748,726.86
<b>IV. Effects of changes in exchange rate on cash and cash equivalents</b>	-1,074,927.12	-1,377,968.80
<b>V. Net increase in cash and cash equivalents</b>	-982,847,752.31	1,978,819,095.99
Add: Balance of cash and cash equivalents at the beginning of the period	2,069,180,189.50	1,756,821,120.31
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	1,086,332,437.19	3,735,640,216.30

The Company's legal representative:  
Wang Weidong

Person in charge of accounting function:  
Li Jia

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.  
27 April 2023