Antengene Corporation Limited
德琪醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6996)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2023

The board (the "**Board**") of directors (the "**Directors**") of Antengene Corporation Limited (the "**Company**" or "**Antengene**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**", "**we**" or "**us**") for the six months ended June 30, 2023 (the "**Reporting Period**"), together with comparative figures for the six months ended June 30, 2022. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the audit committee of the Company (the "**Audit Committee**") and the Company's auditor.

FINANCIAL HIGHLIGHTS

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Revenue	**72,016**	53,956
Other income and gains	**121,073**	167,820
Research and development costs	**(226,093)**	(179,407)
Selling and distribution expenses	**(88,246)**	(90,377)
—Milestone payments related to commercialization	***(21,286)***	–
Administrative expenses	**(83,756)**	(85,878)
Loss for the period	**(218,694)**	(144,451)
Adjusted loss for the period*	**(189,437)**	(126,259)
Adjusted loss for the period excluding net foreign exchange gain	**(281,690)**	(270,659)

* Adjusted loss for the period is not defined under the IFRS, it represents the loss for the period excluding the effect brought by equity-settled share-based payment expense.

IFRS Measures:

Our revenue increased by RMB18.0 million from RMB54.0 million for the six months ended June 30, 2022 to RMB72.0 million for the six months ended June 30, 2023, primarily attributable to the increased sales revenue of XPOVIO® (selinexor).

Our other income and gains decreased by RMB46.7 million from RMB167.8 million for the six months ended June 30, 2022 to RMB121.1 million for the six months ended June 30, 2023, primarily attributable to the decreased net foreign exchange gain.

Our research and development costs increased by RMB46.7 million from RMB179.4 million for the six months ended June 30, 2022 to RMB226.1 million for the six months ended June 30, 2023, primarily attributable to our increased licensing fees and R&D employee costs.

Our selling and distribution expenses decreased by RMB2.2 million from RMB90.4 million for the six months ended June 30, 2022 to RMB88.2 million for the six months ended June 30, 2023, primarily attributable to the decreased selling and distribution expenses in Greater China market, partially offset by the increased milestone payments related to commercialization.

Our administrative expenses decreased by RMB2.1 million from RMB85.9 million for the six months ended June 30, 2022 to RMB83.8 million for the six months ended June 30, 2023, primarily attributable to the decreased professional fees.

As a result of the foregoing, the loss for the period increased by RMB74.2 million from RMB144.5 million for the six months ended June 30, 2022 to RMB218.7 million for the six months ended June 30, 2023.

Non-IFRS Measures:

Loss for the period excluding the effect brought by equity-settled share-based payment expense increased by RMB63.1 million from RMB126.3 million for the six months ended June 30, 2022 to RMB189.4 million for the six months ended June 30, 2023, primarily due to our increased research and development costs and the decreased net foreign exchange gain, partially offset by our increased revenue.

BUSINESS HIGHLIGHTS

During the Reporting Period, and as at the date of this announcement, significant advancement has been made with respect to our product pipeline and business operations:

COMMERCIALIZED ASSET:

– **Selinexor (ATG-010, XPOVIO®, Greater China brand name "希維奧®", first-in-class XPO1 inhibitor)**

- In May 2023, we submitted New Drug Applications (NDAs) for XPOVIO® (selinexor) to the Indonesia National Agency of Drug and Food Control (BPOM) for the treatment of relapsed/refractory multiple myeloma (rrMM) and relapsed/refractory diffuse large B-cell lymphoma (rrDLBCL).

- In June 2023, XPOVIO® (selinexor) in combination with bortezomib and dexamethasone (XVd) was listed on the Pharmaceutical Benefits Scheme (PBS) in Australia for the treatment of adult patients with rrMM who have received at least one prior therapy.

- In July 2023, we received NDA approval from the Department of Health, the Government of the Hong Kong Special Administrative Region (HKSAR) for XPOVIO® (selinexor), in combination with dexamethasone (Xd), for the treatment of adult patients with rrMM who have received at least four prior therapies and whose disease is refractory to at least two proteasome inhibitors (PIs), two immunomodulatory agents (IMiDs), an anti-CD38 monoclonal antibody, and who have demonstrated disease progression on the last therapy.

LATE-STAGE ASSET:

– **Onatasertib (ATG-008, mTORC1/2 inhibitor)**

- In May 2023, we announced the latest results from the Phase I/II TORCH-2 study. The results were subsequently presented as a poster at the 2023 American Society for Clinical Oncology Annual Meeting (ASCO 2023). The abstract was also presented in a Poster Discussion session at ASCO 2023.

OTHER CLINICAL STAGE ASSETS:

– **Eltanexor (ATG-016, second generation XPO1 inhibitor)**

- The Phase II open-label study of ATG-016 in patients with high-risk myelodysplastic syndromes is ongoing in mainland China.

– **ATG-017 (ERK1/2 inhibitor)**

  • The Phase I trial of ATG-017 in combination with nivolumab in patients with advanced solid tumors and as monotherapy and in combination with nivolumab for the treatment of advanced solid tumors and hematological malignancies (the "**ERASER trial**") are ongoing in the U.S. and Australia, respectively.

– **ATG-101 (PD-L1/4-1BB bispecific antibody)**

  • The Phase I trial of ATG-101, a novel PD-L1/4-1BB bispecific antibody, for the treatment of advanced/metastatic solid tumors and B-cell non-Hodgkin lymphoma (B-NHL) (the "**PROBE-CN trial**" and the "**PROBE trial**") are ongoing in mainland China, Australia, and the United States, respectively.

– **ATG-037 (CD73 inhibitor)**

  • The Phase I trial of ATG-037 for the treatment of locally advanced or metastatic solid tumors (the "**STAMINA Trial**") is ongoing in mainland China and the United States.

– **ATG-018 (ATR inhibitor)**

  • The Phase I trial of ATG-18 in patients with advanced solid tumors and hematologic malignancies (the "**ATRIUM tria**l") is ongoing in Australia.

– **ATG-022 (Claudin 18.2 antibody-drug conjugate)**

  • In January 2023, after the filing of the first clinical trial of ATG-022 in patients with advanced or metastatic solid tumors (the "**CLINCH Trial**") was approved by the Bellberry Human Research Ethics Committee ("**HREC**") in Sydney, we received the Clinical Trial Notification from the Therapeutic Goods Administration of Australia.

  • In March 2023, we received IND clearance from the China National Medical Products Administration (the "**NMPA**") for the Phase I study of the CLINCH trial.

  • In March 2023, we dosed the first patient in the CLINCH trial in Australia.

  • In May 2023, ATG-022 has been granted two Orphan Drug Designations (ODDs) consecutively by the U.S. Food and Drug Administration (FDA) for the treatment of gastric cancer and pancreatic cancer.

  • In May 2023, we dosed the first patient in the CLINCH trial in mainland China.

– **ATG-031 (anti-CD24 monoclonal antibody)**

  • In May 2023, we received IND clearance from the U.S. FDA to initiate a Phase I trial of ATG-031 in patients with advanced solid tumors or B-NHL.

PRE-CLINICAL STAGE ASSETS:

We made steady progress in our pre-clinical pipeline assets – ATG-027 (B7H3/PD-L1 bispecific antibody), ATG-032 (LILRB antibody) and ATG-041 (Axl-Mer inhibitor).

BUSINESS DEVELOPMENT AND OTHER KEY ACTIVITIES:

- Leveraging our combinatory and complementary R&D strategy and through our strong R&D capabilities and strategic approach in developing novel therapies, we continue to realize our vision of treating patients beyond borders and improving their lives in discovering, developing and commercializing global first-in-class, only-in-class and/or best-in-class therapies.

- In January 2023, we have reached an assignment agreement (the "**Assignment Agreement**") with Calithera Biosciences, Inc. ("**Calithera**") to acquire all of the outstanding rights of ATG-037. Antengene and Calithera entered into a worldwide exclusive license agreement to develop and commercialize ATG-037 in May 2021. Under the terms of the license agreement, Calithera received an initial upfront payment and was eligible to receive payments on potential development, regulatory and sales milestones, and tiered royalties on sales of the licensed product within the range of single to low double-digits. Pursuant to the Assignment Agreement, Antengene is no longer obligated to pay any future milestones and royalty to Calithera, and Antengene will also acquire ownership of all patents and patent applications relating to ATG-037.

MANAGEMENT DISCUSSION AND ANALYSIS

OUR VISION

Our vision is to treat patients beyond borders and improve their lives by discovering, developing and commercializing global first-in-class, only-in-class and/or best-in-class therapies.

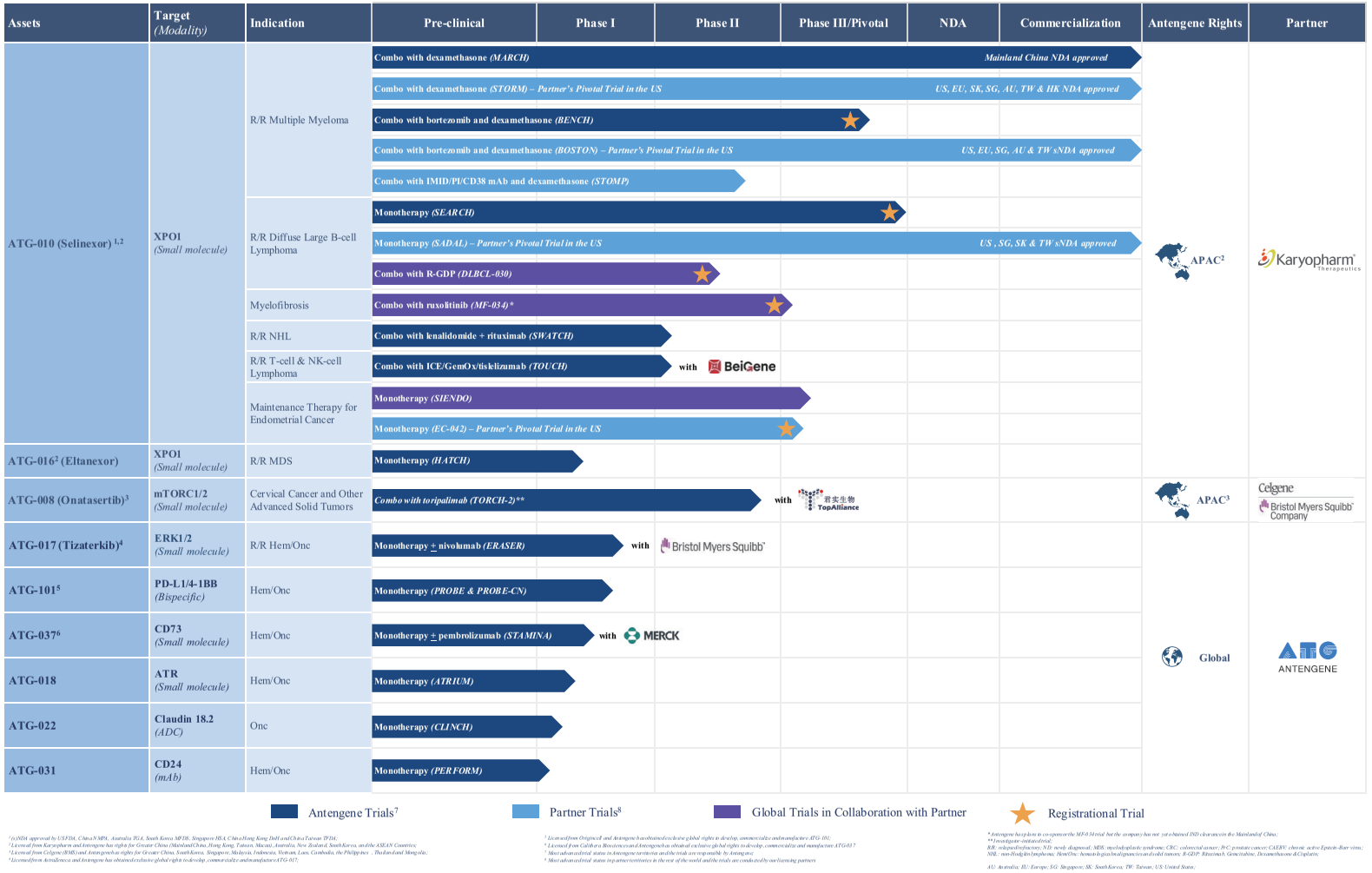
OVERVIEW

Started operations in 2017, we are a commercial-stage Asia-Pacific ("**APAC**") biopharmaceutical company focused on innovative oncology medicines. We distinguish ourselves through our strong R&D capabilities and strategic approach to developing novel oncology therapies.

We have strategically designed and built a highly selective pipeline of 9 clinical stage assets focused on oncology, including 3 with APAC rights and 6 with global rights. We employ a combinatory and complementary R&D strategy to maximise the potential of our pipeline assets which are synergistic to each other. We have obtained NDA approvals of XPOVIO®(selinexor) in mainland China, Australia, South Korea, Singapore, Hong Kong, China and Taiwan, China. We subsequently submitted NDAs for XPOVIO® (selinexor) to the Pharmaceutical Administration Bureau of Macau, China, Malaysian National Pharmaceutical Regulatory Agency, Thai Food and Drug Authority and BPOM for the treatment of rrMM and rrDLBCL.

Product Pipeline

We have a pipeline of 9 clinical stage drug candidates that focus on oncology. The following table summarizes our pipeline and the development status. Each candidate in the regions noted in the chart below in the "Antengene Rights" column:



[1] (c)NDA approval by USFDA, China NMPA, Australia TGA, South Korea MFDS, Singapore HSA, China Hong Kong DoH and China Taiwan TFDA;
[2] Licensed from Karyopharm and Antengene has right for Greater China (Mainland China, Hong Kong, Taiwan, Macau), Australia, New Zealand, South Korea, and the ASEAN Countries;
[3] Licensed from Celgene (BMS) and Antengene has rights for Greater China, South Korea, Singapore, Malaysia, Indonesia, Vietnam, Laos, Cambodia, the Philippines , Thailand and Mongolia;
[4] Licensed from AstraZeneca and Antengene has obtained exclusive global right to develop, commercialize and manufacture ATG-017;
[5] License from Originent and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-101;
[6] Licensed from Calithera Biosciences and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-037
[7] Most advanced trial status in Antengene territories and the trials are responsible by Antengene
[8] Most advanced trial status in partner territories in the rest of the world and the trials are conducted by our licensing partners

*Antengene has plans to co-sponsor the MF-034 trial but the company has not yet obtained IND clearance in the Mainland of China;
**Investigator-initiated trial;
R/R: relapsed/refractory; NLB: newly diagnosed; MDS: myelodysplastic syndrome; CRC: colorectal cancer; PrC: prostate cancer; CAEBV: chronic active Epstein-Barr virus; NHL: non-Hodgkin lymphoma; Hem/Onc: hematologic malignancies and solid tumors; R-GDP: Rituximab, Gemcitabine, Dexamethasone & Cisplatin;
AU: Australia; EU: Europe; SG: Singapore; SK: South Korea; TW: Taiwan; US: United States;

BUSINESS REVIEW

We have made steady progress with regard to our pipeline assets in the first half of 2023. We have submitted NDA application for XPOVIO® (selinexor) in Indonesia in May 2023. In July 2023, we received NDA approval for the treatment of rrMM and submitted the supplemental new drug application ("**sNDA**") for XPOVIO® (selinexor) in combination with bortezomib and dexamethasone (XVd) for the treatment of rrMM and DLBCL in Hong Kong, China.

Commercial-stage Product

Selinexor (ATG-010, XPOVIO®, Greater China brand name "希維奧®", first-in-class XPO1 inhibitor)

XPOVIO® (selinexor), our first commercial-stage product, orally available selective inhibitor of nuclear export (SINE) compound being developed for the treatment of various hematological malignancies and solid tumors. We obtained exclusive rights from Karyopharm Therapeutics Inc. ("**Karyopharm**") for the development and commercialization of XPOVIO® (selinexor) in mainland China, Hong Kong, China, Taiwan, China, Macau, China, South Korea, Australia, New Zealand and ASEAN countries.

Our licensing partner, Karyopharm, obtained approval through the U.S. FDA's Accelerated Approval Program on July 3, 2019 for XPOVIO® (selinexor) in combination with low-dose dexamethasone for the treatment of adult patients with rrMM who have received at least four prior therapies and whose disease is refractory to at least two proteasome inhibitors, at least two IMiDs and an anti-CD38 mAb.

On June 22, 2020, XPOVIO® (selinexor) received accelerated approval from the U.S. FDA for the treatment of adult patients with rrDLBCL, not otherwise specified, including DLBCL arising from follicular lymphoma, after at least two lines of systemic therapy. On December 18, 2020, the U.S. FDA approved XPOVIO® (selinexor) in combination with bortezomib and dexamethasone for the treatment of adult patients with multiple myeloma who have received at least one prior therapy.

In July 2021, through a priority review process, the MFDS of South Korea approved the Company's NDA for XPOVIO® (selinexor) in combination with dexamethasone for the treatment of adult patients with relapsed or refractory multiple myeloma who have received at least four prior therapies and whose disease is refractory to at least two proteasome inhibitors, at least two immunomodulatory agents, and an anti-CD38 monoclonal antibody (penta-refractory); and as a monotherapy for the treatment of adult patients with relapsed/refractory diffuse large B-cell lymphoma who have received at least two prior lines of treatment. In December 2021, we submitted supplemental sNDA to MFDS for XPOVIO® (selinexor) in combination with bortezomib and dexamethasone is indicated for the treatment of adult patients with multiple myeloma who have received at least one prior therapy.

In December 2021, XPOVIO® (selinexor) received conditional approval for marketing by the NMPA, applicable in combination with dexamethasone for the treatment of adults with rrMM who have received prior therapy including a proteasome inhibitor, an immunomodulatory agent and an anti-CD38 monoclonal antibody.

We have obtained NDA approvals of XPOVIO® (selinexor) in mainland China, South Korea, Singapore, Australia, Taiwan, China and Hong Kong, China. XPOVIO® (selinexor) in combination with dexamethasone (Xd) and in combination with bortezomib and dexamethasone (XVd) are listed on the PBS in Australia for the treatment of adult patients with rrMM who have received at least four prior lines of therapy and at least one prior line of therapy respectively. We have also submitted NDA applications for XPOVIO® (selinexor) to Pharmaceutical Administration Bureau of Macau, China, Malaysian National Pharmaceutical Regulatory Agency, Thai Food and Drug Authority and BPOM.

Several late-stage clinical studies are underway for XPOVIO® (selinexor) in mainland China:

A Phase II registrational clinical trial as monotherapy in rrDLBCL (the "**SEARCH trial**"). We dosed the first patient in SEARCH trial in 2020.

A Phase III registrational clinical trial in combination with bortezomib and low-dose dexamethasone in rrMM (the "**BENCH trial**"). We received IND approval from the NMPA at the end of 2020 and dosed the first patient in July 2021.

A Phase II/III registrational clinical trial in combination with rituximab, gemcitabine dexamethasone cisplatin ("**R-GDP**") in rrDLBCL, which is part of the global pivotal trial (XPORT-DLBCL-030) led by Karyopharm. We received IND approval from the NMPA in January 2021 and dosed the first patient in December 2021.

To further explore the clinical potential of XPOVIO® (selinexor) in cancer treatment, we also initiated early signal detection studies including Phase Ib clinical trial in combination with ifosfamide, carboplatin and etoposide ("**ICE**"), gemcitabine and oxaliplatin ("**GemOx**") or tislelizumab (an anti-PD-1 antibody) in the treatment of T-cell and NK/T-cell lymphoma patients, Phase Ib clinical trial in combination with ATG-008 (onatasertib) for the treatment of rrDLBCL and Phase I/II S-R2 in rriNHL.

Late-stage Product Candidate

ATG-008 (onatasertib, mTORC1/2 inhibitor)

ATG-008 (onatasertib), one of our Core Products. We obtained an exclusive license from Celgene Corporation for the development and commercialization of onatasertib in mainland China and selected APAC markets. In 2020, we continued to carry forward the clinical study in patients with HCC who received at least one line of prior therapy and dosed the first patient in cohort 3. In April 2021, we dosed the first patient in the fourth cohort of this study (TORCH study). We initiated a Phase I/II study of onatasertib in combination with toripalimab (anti-PD-1 antibody) in mainland China (TORCH-2 study).

In November 2022, we highlighted the preliminary positive results from the TORCH-2 study of ATG-008 (onatasertib) used in combination with toripalimab (a PD-1 antibody) in relapsed/metastatic cervical cancer patients (NCT04337463). The combination therapy demonstrated an objective response rate (ORR) of 52.4% (based on all treated patients) regardless of PD-L1 status. The results were based on early data from 21 patients, including 10 patients who reached partial response (PR) and 1 patient who achieved a complete response (CR). Five out of the ten responders were still responding, and two patients who were in stable disease (SD) still remain on treatment. The median progression free survival (PFS) for all treated patients was 5.5 months. In the TORCH-2 study, the ORR for PD-L1 positive subjects was 77.8% (7/9). In addition, 1 out of 2 CPI-exposed patients also reached PR. We also highlighted the data from the 45 milligram (mg) per day monotherapy dosing cohort of the open-label Phase II TORCH Trial in subjects with Hepatitis B virus positive (HBV+) unresectable HCC who have received at least one prior line of systemic therapy (NCT03591965). ATG-008 monotherapy demonstrated a 16.7% ORR based on 3 confirmed PRs out of 18 patients in this cohort. The median duration of response (DOR) for these patients is 4.3 months. In the TORCH study, 2 of the 3 patients with PRs were previously treated with a check-point inhibitor.

In May 2023, we announced the latest results from the Phase I/II TORCH-2 study. The results were subsequently presented as a poster at the 2023 American Society for Clinical Oncology Annual Meeting (ASCO 2023). The abstract was also presented in a Poster Discussion session at ASCO 2023.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ATG-008 (ONATASERTIB) SUCCESSFULLY.

Other Clinical Candidates

Eltanexor (ATG-016, second generation XPO1 inhibitor) – We obtained exclusive rights from Karyopharm for the development and commercialization of eltanexor in mainland China, Hong Kong, China, Taiwan, China, Macau, China, South Korea, Australia, New Zealand and ASEAN countries. In 2020, we obtained IND approval of a Phase I/II clinical study in patients with high-risk MDS from the NMPA in mainland China, and in May 2021, we dosed the first patient. Subsequently, we received IND approval of a Phase I/II clinical study in patients with solid tumors from the NMPA in mainland China in May 2021. We received IND approval of a Phase II open-label study designed to evaluate the safety, tolerability and efficacy of ATG-016 in patients with high-risk myelodysplastic syndromes (MDS) from the NMPA in mainland China in March 2022. In addition, we have one study ongoing in mainland China: a Phase I/II, open-label study to investigate the PK, safety, and efficacy of eltanexor (ATG-016) monotherapy in IPSS-R intermediate risk and above MDS patients after failure of HMA-based therapy (the "**HATCH trial**").

ATG-017 (ERK1/2 inhibitor) – We obtained exclusive rights from AstraZeneca AB ("**AstraZeneca**") for the development and commercialization of ATG-017 worldwide. In 2020, we dosed the first patient in a Phase I clinical study in Australia. The dose-escalation study of ATG-017 as monotherapy as well as in combination with nivolumab (an anti-PD-1 antibody) the ERASER trial in Australia is ongoing. We entered into a clinical trial collaboration to evaluate the safety, pharmacokinetics and preliminary efficacy of ATG-017 in combination with Bristol Myers Squibb's anti-PD-1 antibody, Opdivo® (nivolumab) in December 2021. In October 2022, we received clearance from U.S. FDA to start the ERASER trial in the United States. In July 2023, we dosed the first patient in the United States.

ATG-101 (PD-L1/4-1BB bispecific antibody) – We received IND approval from the NMPA for a Phase I study of ATG-101 in March 2022 and we dosed the first patient in August 2022 in mainland China. The dose-escalation studies are ongoing in Australia, mainland China and the United States. In September 2022, ATG-101 has been granted an ODD by the U.S. FDA for the treatment of pancreatic cancer.

ATG-037 (CD73 inhibitor) – We received the approval from the HREC in Australia for the Phase I trial in February 2022 and we dosed the first patient in June 2022. The NMPA has approved a Phase I trial of ATG-037 in November 2022. We entered into a global clinical collaboration with MSD (Merck & Co., Inc., Rahway, NJ, USA) on a multicenter, open-label, Phase I dose – finding study of ATG-037 as a monotherapy and in combination with MSD's anti-PD-1 therapy, KEYTRUDA® (pembrolizumab), in the STAMINA-001 Trial in December 2022. In July 2023, we dosed the first patient in the Phase I of STAMINA trial in mainland China.

ATG-018 (ATR inhibitor) – We received approval from the HREC in Australia for a Phase I trial of ATG-018 in patients with advanced solid tumors and hematologic malignancies in June 2022 and we dosed the first patient in August 2022.

ATG-022 (Claudin 18.2 antibody-drug conjugate) – We received approval from the HREC in Australia to initiate a Phase I trial of ATG-022 in patients with advanced or metastatic solid tumors in December 2022 and we dosed the first patient in March 2023 in Australia. We also received IND approval from the NMPA in March 2023 in patients with advanced or metastatic solid tumors and dosed the first patient in May 2023 in mainland China. In May 2023, ATG-022 has been granted two ODDs consecutively by the U.S. FDA for the treatment of gastric cancer and pancreatic cancer.

ATG-031 (CD24 antibody) – We received IND clearance from the U.S. FDA to initiate a Phase I trial of ATG-031 in patients with advanced solid tumors or B-NHL in May 2023.

Pre-clinical Candidates

ATG-027 (B7H3/PD-L1 bispecific antibody) – We are conducting preclinical studies to support IND/CTA applications of ATG-027 and plan to submit the applications in 2024.

ATG-032 (LILRB antibody) – We are conducting preclinical studies to support IND/CTA applications of ATG-032.

ATG-041 (Axl-Mer inhibitor) – We are conducting preclinical studies to support IND/CTA application.

RESEARCH AND DEVELOPMENT

We focus on R&D of therapeutic strategies for the treatment of cancer. We seek to optimize the drug development process of each of our assets to fully unlock their therapeutic potential and maximise their clinical and commercial value. We have adopted a differentiated combinatory and complementary R&D approach to build a pipeline of first/best-in-class assets with synergistic profiles.

As at June 30, 2023, we have 16 ongoing clinical studies in mainland China, the United States and Australia with 8 of our pipeline assets, including ATG-010 (selinexor, XPO1 inhibitor), ATG – 008 (onatasertib, mTORC1/2 inhibitor), ATG-016 (eltanexor, XPO1 inhibitor), ATG-017 (ERK1/2 inhibitor), ATG-101 (PD-L1/4-1BB bispecific antibody), ATG-037 (CD73 inhibitor), ATG-018 (ATR inhibitor) and ATG-022 (Claudin 18.2 antibody-drug conjugate). We have obtained NDA approvals of XPOVIO® (selinexor) in mainland China, South Korea, Singapore, Australia and Taiwan, China as at June 30, 2023. We have already obtained NDA approval of XPOVIO® (selinexor) in Hong Kong, China in July 2023. We also submitted NDA applications for XPOVIO® (selinexor) to Pharmaceutical Administration Bureau of Macau, China, Malaysian National Pharmaceutical Regulatory Agency, Thai Food and Drug Authority and BPOM. XPOVIO® (selinexor) in combination with dexamethasone (Xd) and in combination with bortezomib and dexamethasone (XVd) are listed on the PBS in Australia for the treatment of adult patients with rrMM who have received at least four prior line of therapy and at least one prior line of therapy respectively.

Our adjusted R&D costs (non-IFRS measure) were approximately RMB207.7 million and RMB170.0 million for the six months ended June 30, 2023 and 2022 respectively. As at June 30, 2023, we had filed 5 patent applications in mainland China, and 7 international applications under the Patent Cooperation Treaty (PCT) for material intellectual properties, all of which are pending.

BUSINESS DEVELOPMENT

In May, 2021 Antengene and Calithera entered into the License Agreement to develop and commercialize ATG-037. Under the terms of the License Agreement, Calithera received an initial upfront payment and was eligible to receive payments on potential development, regulatory and sales milestones, and tiered royalties on sales of the licensed product within the range of single to low double-digits. In January 2023, we have reached the Assignment Agreement with Calithera to acquire all of the outstanding rights of ATG-037. Pursuant to the Assignment Agreement, Antengene is no longer obligated to pay any future milestones and royalty to Calithera, and Antengene will also acquire ownership of all patents and patent applications relating to ATG-037.

EVENTS AFTER THE REPORTING PERIOD

In July 2023, we received NDA approval for XPOVIO® (selinexor) from the Department of Health, the Government of the HKSAR in combination with dexamethasone (Xd), for the treatment of adult patients with rrMM who have received at least four prior therapies and whose disease is refractory to at least two PIs, two IMiDs, an anti-CD38 monoclonal antibody, and who have demonstrated disease progression on the last therapy.

In July 2023, we dosed the first patient in the United States in the combination portion of the Phase I ERASER trial to evaluate ATG-017 plus nivolumab.

In July 2023, we dosed the first patient in the Phase I STAMINA trial of ATG-037 in China.

In August 2023, we entered into an exclusive collaboration agreement (the "**Agreement**"), with Jiangsu Hansoh Pharmaceutical Group Company Limited (江蘇豪森藥業集團有限公司), a wholly-owned subsidiary of Hansoh Pharmaceutical Group Company Limited ("**Hansoh Pharma**") for the commercialization of XPOVIO® (selinexor) in the mainland of China. According to the terms of the Agreement, Antengene will continue to be responsible for research and development, regulatory approvals and affairs, product supply, and distribution of XPOVIO® (selinexor), while Hansoh Pharma will be exclusively responsible for commercialization of XPOVIO® (selinexor) in the mainland of China. Antengene will receive up to RMB200 million of upfront payments from Hansoh Pharma, RMB100 million of which shall be received upon signing the Agreement, and pursuant to the Agreement and subject to the terms and conditions thereof, Antengene shall be eligible to receive up to RMB100 million of the remaining upfront payments, and up to RMB535 million of milestone payments from Hansoh Pharma. Antengene will continue to record revenues of XPOVIO® (selinexor) in the mainland of China and Hansoh Pharma will receive a service fee from Antengene.

ATG-008 (mTORC1/2 inhibitor): The Phase II TORCH-2 study is currently enrolling both checkpoint inhibitor (CPI)-naïve and CPI-pre-treated cervical cancer patients. Based on the latest data review as of 23 August, 2023, out of the 31 CPI-naïve patients who received treatment (and 28 who had at least one tumor assessment), the ORR was observed to be 46.4%. Among the 17 patients with prior CPI treatment (and 15 patients who had at least one tumor assessment), the ORR was observed to be 26.7%. Updated clinical data will be presented in the Antengene Annual R&D Day in November.

ATG-022 (Claudin 18.2 antibody-drug conjugate) is currently enrolling patients in the dose escalation phase, and a partial response has already been observed earlier than the projected efficacious dose range.

ATG-101 (PD-L1/4-1BB bispecific antibody) is approaching its biologically active dose with good tolerability, partial response and durable stable disease. Notably, from low dose level, stable disease has been observed in the longest-treated patient, on the drug for over a year.

ATG-031 (anti-CD24 antibody), has multiple centers across the US for Phase I trial, and MD Anderson Cancer Center in Houston, TX has been selected to be the lead site for this clinical trial. As part of the site initiation process, the Scientific Review Committee has granted approval, putting us on a solid track to initiate enrollment in the fourth quarter of this year.

ATG-037 (CD73 inhibitor): its trial was designed to include a combination segment with pembrolizumab in the dose escalation study, to assess the potential for additional clinical benefits. At present, a total of 13 patients have started the combination treatment.

ATG-017 (ERK1/2 inhibitor) has reached recommended phase II dose (RP2D) for monotherapy and successfully progressed to a combination dose expansion study, in conjunction with nivolumab, in the US and Australia.

ATG-018 (ATR inhibitor) is making smooth progress through its dose escalation phase. 7 patients are with stable disease out of 12 efficacy evaluable patients at low dose levels.

FUTURE AND OUTLOOK

Leveraging our combinatory and complementary R&D strategy and through our strong R&D capabilities and strategic approach in developing novel therapies, we continue to realize our vision of treating patients beyond borders and improving their lives by discovering, developing and commercializing global first-in-class, only-in-class and/or best-in-class therapies.

We will continue to advance the clinical development of our 9 clinical stage assets in multiple therapeutic areas, and continue to implement our dual-engine approach of external partnerships and internal discovery to build up a pipeline focusing on the key oncogenic pathways, tumor microenvironment and tumor associated antigens globally. We also intend to continue implementing our complementary approach to develop the in-licensed assets for additional indications to maximise their commercial potential.

We have received NDA approvals for XPOVIO® (selinexor) in South Korea and mainland China in 2021, in Singapore, Australia and Taiwan, China in 2022 and in Hong Kong, China in 2023. We also submitted NDA applications for XPOVIO® (selinexor) in Macau, China, Malaysia, Thailand and Indonesia. We received IND clearance from the U.S. FDA to initiate a Phase I trial of ATG-031, the first-in-class anti-CD24 monoclonal Ab in patients with advanced solid tumors or B-NHL in May 2023. Looking into the second half of 2023, we further expect to receive approval for XPOVIO® (selinexor) in Macau, China in 2023.

With the expected NDA approval mentioned above and building upon our core commercial leadership team with experience in multiple successful launches of top hematology products globally, in APAC region and mainland China in the past, we will continue to build out our commercial team in preparation for a first-in-class launch of XPOVIO® (selinexor) in APAC region to address unmet medical needs in our territories.

FINANCIAL INFORMATION

The Board announces the unaudited condensed consolidated results of the Group for the six months ended June 30, 2023, with comparative figures for the corresponding period in the previous year as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Six months ended June 30,	
		2023	2022
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
REVENUE	*4*	**72,016**	53,956
Cost of sales		**(12,649)**	(8,705)
Gross profit		**59,367**	45,251
Other income and gains	*4*	**121,073**	167,820
Research and development costs		**(226,093)**	(179,407)
Selling and distribution expenses		**(88,246)**	(90,377)
Administrative expenses		**(83,756)**	(85,878)
Other expenses		**(571)**	(1,505)
Finance costs		**(468)**	(355)
LOSS BEFORE TAX	*5*	**(218,694)**	(144,451)
Income tax expense	*6*	**–**	–
LOSS FOR THE PERIOD		**(218,694)**	(144,451)
Attributable to:			
Owners of the parent		**(218,694)**	(144,451)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic and diluted			
– For loss for the period		**RMB (0.36)**	RMB (0.23)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
LOSS FOR THE PERIOD	**(218,694)**	(144,451)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(57,549)**	(49,365)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(57,549)**	(49,365)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(276,243)**	(193,816)
Attributable to:		
Owners of the parent	**(276,243)**	(193,816)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	June 30, 2023 RMB'000 (Unaudited)	December 31, 2022 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**208,100**	154,483
Right-of-use assets		**72,225**	74,878
Other intangible assets		**6,164**	6,584
Equity investments designated at fair value through other comprehensive income		**2,574**	2,574
Financial assets at fair value through profit or loss		**4,195**	4,195
Prepayments and other receivables		**3,284**	3,366
Total non-current assets		**296,542**	246,080
CURRENT ASSETS			
Inventories		**13,157**	9,892
Trade receivables	*9*	**41,158**	29,767
Prepayments and other receivables		**68,369**	66,684
Financial assets at fair value through profit or loss		**104**	103
Cash and bank balances		**1,322,363**	1,789,634
Total current assets		**1,445,151**	1,896,080
CURRENT LIABILITIES			
Trade payables	*10*	**5,638**	7,822
Other payables and accruals	*11*	**141,875**	363,061
Lease liabilities		**11,229**	10,914
Total current liabilities		**158,742**	381,797
NET CURRENT ASSETS		**1,286,409**	1,514,283
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,582,951**	1,760,363
NON-CURRENT LIABILITIES			
Lease liabilities		**16,615**	17,041
Interest-bearing bank borrowings		**100,000**	30,000
Total non-current liabilities		**116,615**	47,041
Net assets		**1,466,336**	1,713,322
EQUITY			
Equity attributable to owners of the parent			
Share capital		**451**	451
Treasury shares		**(10,353)**	(10,353)
Reserves		**1,476,238**	1,723,224
Total equity		**1,466,336**	1,713,322

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on August 28, 2018. The registered address of the Company is the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The subsidiaries of the Company were involved in the research, development and commercialisation of pharmaceutical products.

The shares of the Company have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") effective from November 20, 2020.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2023 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2022.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2022, except for the adoption of the following new and revised International Financial Reporting Standards ("**IFRSs**") for the first time for the current period's financial information.

IFRS 17	*Insurance Contracts*
Amendments to IFRS 17	*Insurance Contracts*
Amendments to IFRS 17	*Initial Application of IFRS 17 and IFRS 9 – Comparative Information*
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to IAS 12	*International Tax Reform – Pillar Two Model Rules*

The above amendments are not expected to have any significant impact on the Group's interim condensed consolidated financial information.

3 OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the research, development and commercialisation of pharmaceutical products. 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

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Greater China	**67,255**	52,750
Other countries/regions	**4,761**	1,206
	72,016	53,956

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

(b) Non-current assets

	June 30,	December 31,
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Greater China	**279,370**	228,715
United States	**5,204**	5,571
Australia	**2,500**	2,876
	287,074	237,162

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about major customers

Revenue from each of major customers, which accounted for 10% or more of the Group's revenue during the reporting period, is as follows:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Customer A	**67,075**	39,057
Customer B	*****	13,693

* Transactions with this customer did not exceed 10% of the Group's revenue.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**72,016**	53,956

Revenue from contracts with customers

(a) Disaggregated revenue information

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of goods		
Sales of pharmaceutical products	**72,016**	53,956
Geographical markets		
Greater China	**67,255**	52,750
Other countries/regions	**4,761**	1,206
Total revenue from contracts with customers	**72,016**	53,956
Timing of revenue recognition		
Goods transferred at a point in time	**72,016**	53,956

(b) Performance obligations

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

Sales of pharmaceutical products

The performance obligation is satisfied upon delivery of the pharmaceutical products and payment is generally due within 60 to 90 days from the date of billing.

An analysis of other income and gains is as follows:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Government grants*	**14,662**	8,686
Bank interest income	**14,157**	10,593
Other interest income from financial assets at fair value through profit or loss	**1**	449
Others	**–**	3,692
	28,820	23,420
Other gains		
Foreign exchange gains, net	**92,253**	144,400
	121,073	167,820

* Government grants include subsidies from the governments which are specifically for (i) the incentive and subsidies for research and development activities which are recognised upon compliance with the attached conditions; (ii) other government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs recognised in profit or loss in the period in which they become receivable; and (iii) the capital expenditure incurred for plant and machinery and is recognised over the useful life of the related assets.

5 LOSS BEFORE TAX

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

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**12,649**	8,705
Depreciation of property, plant and equipment	**7,992**	4,491
Depreciation of right-of-use assets	**7,450**	5,948
Amortisation of other intangible assets	**582**	411
Lease payments not included in the measurement of lease liabilities	**2,062**	857
Employee benefit expense:		
Wages and salaries	**129,376**	110,625
Pension scheme contributions (defined contribution scheme)	**20,211**	19,140
Staff welfare expenses	**1,845**	2,393
Equity-settled share-based payment expense	**29,257**	18,192
	180,689	150,350
Foreign exchange differences, net*	**(92,253)**	(144,400)

* Included in "Other income and gains" in the consolidated statement of profit or loss

6 INCOME TAX

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

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

British Virgin Islands

Under the current laws of the British Virgin Islands ("**BVI**"), the subsidiaries incorporated in the BVI are not subject to tax on income or capital gains. In addition, upon payments of dividends by these subsidiaries to their shareholders, no BVI withholding tax is imposed.

Hong Kong

The subsidiaries incorporated in Hong Kong were subject to income tax at the rate of 16.5% (2022: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2022: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2022: 8.25%) and the remaining assessable profits are taxed at 16.5% (2022: 16.5%).

Macau

The subsidiary incorporated in Macau was subject to income tax at the rate of 12% (2022: 12%) on the estimated assessable profits arising in Macau during the period.

Mainland China

Pursuant to the Corporate Income Tax Law of the People's Republic of China and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in Mainland China were subject to CIT at a rate of 25% (2022: 25%) on the taxable income.

Australia

No provision for Australia profits tax has been made as the Group had no assessable profits derived from or earned in Australia during the period (2022: Nil). The subsidiary incorporated in Australia was subject to income tax at the rate of 25% (2022: 25%) on the estimated assessable profits arising in Australia during the period.

Singapore

No provision for Singapore profits tax has been made as the Group had no assessable profits derived from or earned in Singapore during the period (2022: Nil). The subsidiary incorporated in Singapore was subject to income tax at the rate of 17% (2022: 17%) on the estimated assessable profits arising in Singapore during the period.

South Korea

No provision for South Korea profits tax has been made as the Group had no assessable profits derived from or earned in South Korea during the period (2022: Nil). The subsidiary incorporated in South Korea was subject to income tax at the rate of 10% (2022: 10%) on the estimated assessable profits arising in South Korea during the period.

United States of America

The subsidiary incorporated in Delaware, the United States was subject to statutory United States federal corporate income tax at a rate of 21% (2022: 21%). It was also subject to the state income tax in Delaware at a rate of 8.7% (2022: 8.7%) during the period.

Taiwan

No provision for Taiwan profits tax has been made as the Group had no assessable profits derived from or earned in Taiwan during the period. The subsidiary incorporated in Taiwan was subject to income tax at the rate of 20% on the estimated assessable profits arising in Taiwan during the period.

No provision for income taxation has been made for the six months ended June 30, 2023 (June 30, 2022: Nil) as the Group had no assessable profits derived from the operating entities of the Group.

7 DIVIDENDS

No dividend was paid or declared by the Company during the six months ended June 30, 2023 (June 30, 2022: Nil).

8 LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 614,876,787 (June 30, 2022: 619,056,818) in issue during the period.

No adjustment has been made to the basic loss per share amounts presented for the six months ended June 30, 2023 and 2022 in respect of a dilution as the impact of the share options and restricted share units outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted loss per share are based on:

	Six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**(218,694)**	(144,451)

	Number of shares for the six months ended June 30,	
	2023	2022
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue* during the period used in the basic and diluted loss per share calculation	**614,876,787**	619,056,818

* After considering treasury shares

9 TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	June 30, 2023 ***RMB'000*** **(Unaudited)**	December 31, 2022 *RMB'000* (Audited)
Within 3 months	**41,099**	29,767
3 to 6 months	**59**	–
	41,158	29,767

10 TRADE PAYABLES

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

	June 30, 2023 ***RMB'000*** **(Unaudited)**	December 31, 2022 *RMB'000* (Audited)
Within 3 months	**5,638**	7,822

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

11 OTHER PAYABLES AND ACCRUALS

	June 30, 2023 ***RMB'000*** **(Unaudited)**	December 31, 2022 *RMB'000* (Audited)
Amount due to related parties	**–**	40
Deferred income*	**24,996**	25,665
Payroll payables	**38,948**	47,680
Other tax payables	**12,067**	12,650
Payables for purchase of property, plant and equipment	**1,018**	3,267
Other payables**	**64,846**	137,914
Payables for milestone payments related to commercialisation***	**–**	135,845
	141,875	363,061

* As at June 30, 2023, deferred income of RMB24,996,000 (December 31, 2022: RMB25,665,000) represent the government grants related to an asset that will be recognised in profit or loss over the expected useful life of the relevant asset.

** Other payables primarily consist of accrued or invoiced but unpaid fees for services from contract research organisations ("**CROs**"), contract development manufacture organisations ("**CDMOs**") and clinical site management operators ("**SMOs**").

*** Milestone payments related to the commercialisation of the Group's lead product, XPOVIO® (selinexor).

Other payables and accruals are unsecured, non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at the end of each reporting period approximate to their fair values due to their short-term maturities.

FINANCIAL REVIEW

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
REVENUE	**72,016**	53,956
Cost of sales	**(12,649)**	(8,705)
Gross profit	**59,367**	45,251
Other income and gains	**121,073**	167,820
Research and development costs	**(226,093)**	(179,407)
Selling and distribution expenses	**(88,246)**	(90,377)
Administrative expenses	**(83,756)**	(85,878)
Other expenses	**(571)**	(1,505)
Finance costs	**(468)**	(355)
LOSS BEFORE TAX	**(218,694)**	(144,451)
Income tax expense	**–**	–
LOSS FOR THE PERIOD	**(218,694)**	(144,451)
Non-IFRS measures:		
Adjusted loss for the period	**(189,437)**	(126,259)

Revenue. Our revenue increased by RMB18.0 million from RMB54.0 million for the six months ended June 30, 2022 to RMB72.0 million for the six months ended June 30, 2023, primarily attributable to the increased sales revenue of XPOVIO® (selinexor).

Other Income and Gains. Our other income and gains decreased by RMB46.7 million from RMB167.8 million for the six months ended June 30, 2022 to RMB121.1 million for the six months ended June 30, 2023, primarily attributable to the net foreign exchange gain of RMB92.3 million recorded for the six months ended June 30, 2023 due to the rise in the exchange rate of USD against RMB, but not as favourable as that of for the six months ended June 30, 2022 which recorded RMB144.4 million.

Research and Development Costs. Our research and development costs increased by RMB46.7 million from RMB179.4 million for the six months ended June 30, 2022 to RMB226.1 million for the six months ended June 30, 2023. This increase was primarily attributable to the combined impact of (i) an increase of RMB27.3 million in licensing fees as we made payments of RMB40.5 million for the six months ended June 30, 2023 to acquire all the outstanding rights of ATG-037 from Calithera thus we are no longer obligated to pay any future milestones and royalty; and (ii) an increase of RMB27.2 million in R&D employee costs in line with our strong product pipeline and enhanced in-house R&D capabilities.

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
Employee costs	**86,920**	59,679
– Equity-settled share-based payment expense	***18,384***	*9,417*
Depreciation and amortization	**6,837**	3,048
Licensing fees	**40,464**	13,213
Drug development expenses	**76,812**	94,608
Professional fees	**7,529**	4,345
Others	**7,531**	4,514
Total	**226,093**	179,407

Selling and Distribution Expenses. Our selling and distribution expenses decreased by RMB2.2 million from RMB90.4 million for the six months ended June 30, 2022 to RMB88.2 million for the six months ended June 30, 2023. This decrease was primarily attributable to the combined impact of (i) RMB21.3 million milestone payments related to the commercialization of XPOVIO® (selinexor) for the six months ended June 30, 2023; and (ii) a decrease of RMB20.5 million in selling and distribution expenses in Greater China market primarily due to the positive result of reducing cost and enhancing efficiency for the six months ended June 30, 2023 after the commercial launch of XPOVIO® (selinexor) in Mainland China in 2022.

The table below sets forth the components of our selling and distribution expenses by nature for the periods indicated:

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
Milestone payments related to commercialization	**21,286**	–
Subtotal	**21,286**	–
Employee costs	**42,571**	46,775
– Equity-settled share-based payment expense	***1,856***	*2,301*
Market development expenses	**22,754**	41,433
Depreciation and amortization	**1,487**	1,271
Others	**148**	898
Subtotal	**66,960**	90,377
Total	**88,246**	90,377

The table below sets forth the components of our selling and distribution expenses by geographical markets, excluding milestone payments related to commercialization, for the periods indicated:

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
Greater China	**53,369**	73,891
Other countries/regions	**13,591**	16,486
Total	**66,960**	90,377

Administrative Expenses. Our administrative expenses decreased by RMB2.1 million from RMB85.9 million for the six months ended June 30, 2022 to RMB83.8 million for the six months ended June 30, 2023. This decrease was primarily attributable to the decreased professional fees in relation to operating and administrative activities as a reflection of our ongoing cost control efforts and the improved operation efficiency.

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
Employee costs	**51,198**	43,896
– Equity-settled share-based payment expense	***9,017***	*6,474*
Professional fees	**13,516**	23,539
Depreciation and amortization	**7,700**	6,531
Others	**11,342**	11,912
Total	**83,756**	85,878

NON-IFRS MEASURES

To supplement the Group's unaudited condensed consolidated financial statements, which are presented in accordance with the IFRS, the Company also uses adjusted loss for the period and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, the IFRS. The Company believes that these adjusted measures provide useful information to shareholders and potential investors in understanding and evaluating the Group's consolidated results of operations in the same manner as they help the Company's management.

Adjusted loss for the period represents the loss for the period excluding the effect of equity-settled share-based payment expense. The term adjusted loss for the period is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS. The Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this and other non-IFRS measures are reflections of the Group's normal operating results by eliminating potential impacts of items that the management do not consider to be indicative of the Group's operating performance, and thus, facilitate comparisons of operating performance from period to period and company to company to the extent applicable.

The table below sets forth a reconciliation of the loss to adjusted loss during the periods indicated:

	For the six months ended June 30,	
	2023	2022
	RMB'000	*RMB'000*
Loss for the period	**(218,694)**	(144,451)
Added:		
Equity-settled share-based payment expense	**29,257**	18,192
Adjusted loss for the period	**(189,437)**	(126,259)

EMPLOYEES AND REMUNERATION POLICIES

The following table sets forth a breakdown of our employees as at June 30, 2023 by function:

Function	Number of employees	% of total number of employees
General and Administrative	66	18.4
Research and Development	135	37.6
Commercialization	135	37.6
Manufacturing	23	6.4
Total	**359**	**100.0**

As at June 30, 2023, we had 319 employees in China and 40 employees in overseas. Our employees' remuneration comprises salaries, bonuses, employee provident fund and social security contributions and other welfare payments. In accordance with applicable Chinese laws, we have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees.

Moreover, a wide range of on-the-job training and capacity-building activities were organized to help all employees to develop professional clinical knowledge and strengthen their management skills. To ensure our employees are well-equipped to deliver their work, we help new employees quickly fit into the Company by offering orientation training and on-the-job training from their entry so they can familiarize themselves with Antengene and their work duties. In addition, each new employee will also be assigned a mentor to help them adapt to the new working environment and explore their personal development and career aspirations.

LIQUIDITY AND FINANCIAL RESOURCES

As at June 30, 2023, our cash and bank balances were RMB1,322.4 million, as compared to RMB1,789.6 million as at December 31, 2022. The decrease was mainly due to the operating expenses for the six months ended June 30, 2023, as well as settling the total of RMB135.8 million outstanding payables as at December 31, 2022 related to the commercialization milestone payments in 2023.

As at June 30, 2023, the Group's cash and bank balances were held mainly in USD and RMB.

As at June 30, 2023, the current assets of the Group were RMB1,445.2 million, including cash and bank balances of RMB1,322.4 million, and other current assets of RMB122.8 million. As at June 30, 2023, the current liabilities of the Group were RMB158.7 million, including other payables and accruals of RMB141.9 million and other current liabilities of RMB16.8 million.

Current Ratio

Current ratio is calculated using current assets divided by current liabilities and multiplied by 100%. As at June 30, 2023, our current ratio was 910.4% (as at December 31, 2022: 496.6%).

Gearing Ratio

Gearing ratio is calculated using total liabilities divided by total assets and multiplied by 100%. As at June 30, 2023, our gearing ratio was 15.8% (as at December 31, 2022: 20.0%).

OTHER FINANCIAL INFORMATION

Significant Investments, Material Acquisitions and Disposals

As at June 30, 2023, we did not hold any significant investments. For the six months ended June 30, 2023, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investments or Capital Assets

We did not have any concrete plans for material investments or capital assets as at June 30, 2023.

Foreign Exchange Risk

We have transactional currency exposures. The majority of our bank balances and interest receivables are denominated in foreign currencies and are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Contingent Liabilities

As at June 30, 2023, we did not have any material contingent liabilities.

Pledge or charge of assets

As at June 30, 2023, the Group had a total of RMB43.9 million of the leasehold land pledged to secure its bank facilities.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the "**Shareholders**") and to enhance corporate value and accountability. The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). During the Reporting Period, the Board is of the opinion that the Company has complied with all the code provisions except for the deviation from code provision C.2.1 of the CG Code which is explained below.

Code provision C.2.1 of the CG Code provides that the roles of the chairman of the Board (the "**Chairman**") and chief executive officer (the "**CEO**") should be separated and should not be performed by the same individual. During the Reporting Period and as at the date of this announcement, the roles of the Chairman and CEO of the Company are held by Dr. Jay Mei ("**Dr. Mei**") who is a founder of the Company.

The Board believes that, in view of his experience, personal profile and his roles in the Company, Dr. Mei is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as the CEO. The Board also believes that the combined role of Chairman and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between the management of the Company and the Board.

In addition, the decisions to be made by the Board require approval by at least a majority of the Directors and that the Board comprises three executive Directors, one non-executive Director and three independent non-executive Directors, which the Company believes that there are sufficient checks and balances in the Board. Dr. Mei and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they shall act for the benefit and in the best interest of the Company and will make decisions for the Group accordingly.

The Board will continue to review and consider splitting the roles of the Chairman and the CEO at the time when it is appropriate by taking into account the circumstances of the Group as a whole. Further information concerning the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the year ending December 31, 2023.

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.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted the Model Code contained in Appendix 10 to the Listing Rules as the guidelines for Directors' dealings in the securities of the Company. Specific enquiries have been made of all the Directors, and they have confirmed that they have complied with the required standards set out in the Model Code throughout the Reporting Period.

The Company's relevant employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

USE OF NET PROCEEDS

The shares of the Company were listed on the Main Board of the Stock Exchange on November 20, 2020 (the "**Listing Date**"). The Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the IPO and the exercise of over-allotment option of approximately RMB2,274.70 million.

The net proceeds from the listing (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in accordance with the purposes set out in the prospectus of the Company dated November 9, 2020. The table below sets out the planned allocations of the net proceeds and actual usage up to June 30, 2023:

Function	Percentage of use of proceeds (Approximately) *% of total amount*	Net proceeds from the IPO *RMB million*	Unutilised net proceeds as at December 31, 2022 *RMB million*	Actual use of net proceeds during the Reporting Period *RMB million*	Unutilized net proceeds as at June 30, 2023 *RMB million*	Expected timeline for full utilisation of the net proceeds
Fund ongoing and planned clinical trials and milestone payments of our two Core Products and commercial launches of ATG-010	41%	932.63	203.43	203.43	–	N/A
Fund ongoing and planned clinical trials and milestone payments of four other clinical-stage drug candidates in our pipeline	25%	568.67	486.57	12.26	474.31	Expected to be fully utilized by December 31, 2024
Fund ongoing pre-clinical studies and planned clinical trials for other pre-clinical drug candidates in our pipeline	9%	204.72	–	–	–	N/A
For expansion of our pipeline, including discovery of new drug candidates and business development activities	14%	318.46	236.91	80.39	156.52	Expected to be fully utilized by December 31, 2024
For capital expenditure	1%	22.75	–	–	–	N/A
For general corporate purposes	10%	227.47	–	–	–	N/A
Total	**100%**	**2,274.70**	**926.91**	**296.08**	**630.83**	

Notes:

(a) Net proceeds from the IPO were received in HKD and translated into RMB for the allocation and the utilization calculation, and have been adjusted slightly due to the fluctuation of the foreign exchange rates since the listing.

(b) The expected timeline was based on the Company's estimation of future market conditions and business operations, remains subject to change based on actual R&D progress, market conditions and business needs. The unutilized net proceeds of RMB630.83 million as at June 30, 2023 are expected to be fully utilized by December 31, 2024.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee has three members (who are all independent non-executive directors), being Mr. Sheng Tang (chairman), Dr. Rafael Fonseca and Ms. Jing Qian with written terms of reference in compliance with the Listing Rules.

The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to internal control and financial reporting with the management. The Audit Committee reviewed and considered that the interim financial results for the six months ended June 30, 2023 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

In addition, the Company's external auditor, Ernst & Young, has performed an independent review of the Group's interim financial information for the six months ended June 30, 2023 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, at least 25% of the Company's total number of issued shares was held by the public at all times since the Listing Date and up to the date of this announcement as required under the Listing Rules.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as at June 30, 2023.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2023.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.antengene.com**). The interim report for the six months ended June 30, 2023 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company in September 2023.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By the order of the Board
Antengene Corporation Limited
Dr. Jay Mei
Chairman

Hong Kong, China, August 25, 2023

As at the date of this announcement, the Board comprises Dr. Jay Mei, Mr. John F. Chin and Mr. Donald Andrew Lung as the executive Directors; Dr. Kan Chen as the non-executive Director; and Dr. Rafael Fonseca, Ms. Jing Qian and Mr. Sheng Tang as the independent non-executive Directors.