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, 2021

The board of directors (the "**Board**") of Antengene Corporation Limited (the "**Company**" or "**Antengene**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (together, the "**Group**", "**we**" or "**us**") for the six months ended June 30, 2021 (the "**Reporting Period**"), together with comparative figures for the six months ended June 30, 2020. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee of the Company.

FINANCIAL HIGHLIGHTS

	For the six months ended June 30,	
	2021	2020
	RMB' 000	*RMB' 000*
	(Unaudited)	(Audited)
Other income and gains	**18,135**	19,366
Research and development costs	**(135,333)**	(169,888)
Administrative expenses	**(78,512)**	(68,681)
Fair value loss on convertible redeemable preferred shares*	**–**	(317,363)
Loss for the period	**(232,995)**	(537,747)
Total comprehensive loss for the period	**(227,685)**	(537,747)
Adjusted loss for the period**	**(209,860)**	(136,520)

* This represents the loss on the fair value changes of convertible redeemable preferred shares, a non-cash and one-time adjustment recognised upon listing as required under the International Financial Reporting Standards ("**IFRSs**").

** 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 option expense, share issue expenses and fair value loss on convertible redeemable preferred shares.

IFRS Measures:

- Our other income and gains decreased by RMB1.3 million from RMB19.4 million for the six months ended June 30, 2020 to RMB18.1 million for the six months ended June 30, 2021, primarily attributable to the absence of RMB10.5 million of net foreign exchange gains that was recorded for the six months ended June 30, 2020 and the increase of the income of pharmaceutical products, government grants and bank interest.

- Our research and development costs decreased by RMB34.6 million from RMB169.9 million for the six months ended June 30, 2020 to RMB135.3 million for the six months ended June 30, 2021, primarily attributable to decreased licensing fees and equity-settled share option expense, partially offset by our increased clinical-related fees and expansion of R&D personnel.

- Our administrative expenses increased by RMB9.8 million from RMB68.7 million for the six months ended June 30, 2020 to RMB78.5 million for the six months ended June 30, 2021, primarily attributable to (i) the slight decrease in employee costs due to decreased equity-settled share option expense, partially offset by expansion of our non-R&D personnel; and (ii) the increase of professional fees.

- Fair value loss on convertible redeemable preferred shares decreased from RMB317.4 million for the six months ended June 30, 2020 to nil for the six months ended June 30, 2021, as the Group had no preferred shares outstanding as of June 30, 2021.

- The loss for the period decreased by RMB304.7 million from RMB537.7 million for the six months ended June 30, 2020 to RMB233.0 million for the six months ended June 30, 2021, primarily attributable to the decrease in the fair value loss on convertible redeemable preferred shares of RMB317.4 million.

Non-IFRS Measures:

Research and development costs excluding the equity-settled share option expense decreased by RMB5.2 million from RMB131.1 million for the six months ended June 30, 2020 to RMB125.9 million for the six months ended June 30, 2021, primarily attributable to decreased licensing fees, partially offset by our increased clinical-related fees and expansion of R&D personnel.

Administrative expenses excluding the equity-settled share option expense and share issue expenses increased by RMB41.2 million from RMB23.6 million for the six months ended June 30, 2020 to RMB64.8 million for the six months ended June 30, 2021, primarily attributable to the increase in employee costs and professional fees in relation to operating and administrative activities.

Loss for the period excluding the effect brought by equity-settled share option expense, share issue expenses and fair value loss on convertible redeemable preferred shares increased by RMB73.4 million from RMB136.5 million for the six months ended June 30, 2020 to RMB209.9 million for the six months ended June 30, 2021, primarily due to the increase in administrative expenses and research and development costs excluding licensing fees.

BUSINESS HIGHLIGHTS

During the six months ended June 30, 2021, and as of the date of this announcement, significant advancement has been made with respect to our product pipeline and business operations:

Late-stage assets:

- **Selinexor (ATG-010, first-in-class XPO1 inhibitor)**

  - On January 25, 2021, we received the approval of the investigational new drug ("**IND**") application by the National Medical Products Administration ("**NMPA**") for selinexor in combination with rituximab, gemcitabine, dexamethasone and platinum ("**SR-GDP**") for the treatment of rrDLBCL in a global Phase II/III study (the "**XPORT-DLBCL-030 trial**").

  - On January 28, 2021, the NMPA accepted the New Drug Application ("**NDA**") for ATG-010 (Selinexor, XPOVIO®), a first-in-class oral selective inhibitor of nuclear export (SINE) compound, for the treatment of patients with relapsed/refractory multiple myeloma (rrMM). On February 24, 2021, the NMPA has granted priority review to the NDA for ATG-010.

  - On May 12, 2021, we received the approval of IND application by NMPA for a Phase III clinical trial designed to evaluate the safety and efficacy of selinexor as a maintenance therapy for patients with advanced or recurrent endometrial cancer (the "**SIENDO trial**").

  - In May 2021, multiple selinexor (ATG-010) regimens have been added by Chinese Society of Clinical Oncology (CSCO) to its 2021 Diagnosis and Treatment Guidelines (CSCO Guidelines) for treatment of multiple myeloma and lymphoma. Three selinexor regimens recommended by the Guideline for the Diagnosis and Treatment of myeloma include: (i) selinexor plus dexamethasone; (ii) selinexor plus dexamethasone plus bortezomib; and (iii) selinexor plus dexamethasone plus pomalidomide for the treatment of relapsed myeloma. Meanwhile, the guideline has also recommended selinexor for the treatment of relapsed or refractory diffuse large B-cell lymphoma (rrDLBCL).

  - In June 2021, we announced that the results from the Phase II MARCH trial of selinexor plus low dose dexamethasone (the Sd regimen) for the treatment of Chinese patients with relapsed or refractory multiple myeloma (RRMM) are published at the 2021 American Society of Clinical Oncology (ASCO) Annual Meeting and the 2021 European Hematology Association (EHA) Virtual Congress. Data from a planned analysis of the first 60 treated patients with a median follow-up of 9.5 months demonstrates an overall response rate (ORR) of 26.7%. Meanwhile, an ORR of 33.3% was achieved with the Sd regimen in triple-class-exposed (IMiDs, PIs and anti-CD38 mAb) patients, and an ORR of 44.4% was achieved in patients that previously received CAR-T therapies. In Chinese patients that were refractory to both immunomodulatory agents (IMiDs) and proteasome inhibitors (PIs), results from the MARCH trial have confirmed the efficacy and manageable safety profile of the Sd regimen, which is consistent with that observed in the STORM trial, the data from which supported the accelerated approval of selinexor by the U.S. Food and Drug Administration ("**FDA**").

- On July 6, 2021, China NMPA accepted the IND application for a Phase II study designed to evaluate the safety and efficacy of selinexor in the treatment of patients with myelofibrosis in China.

- On July 14, 2021, we submitted an NDA to Taiwan Food and Drug Administration ("**TFDA**") for selinexor for three indications: in combination with bortezomib and dexamethasone, or in combination with dexamethasone for the treatment of patients with relapsed and/or refractory multiple myeloma; and as monotherapy in adult patients with relapsed and/or refractory diffuse large B-cell lymphoma, including DLBCL arising from follicular lymphoma, after at least two lines of systemic therapy. This is the sixth NDA for ATG-010 submitted by Antengene, after the five NDAs submitted in Mainland China, Australia, South Korea, Singapore and Hong Kong.

- On July 29, 2021, through a priority review process, the South Korean Ministry of Food and Drug Safety ("**MFDS**") has approved the Company's NDA for 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. This is the first NDA approval of ATG-010.

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

  - In February 2021, we dosed the first patient in the dose expansion cohort in the Phase I/II study of onatasertib in combination with toripalimab (anti-PD-1 antibody) in mainland China (the "**TORCH-2 trial**").

  - In April 2021, we dosed the first patient in the fourth cohort of the Phase II study in patients with hepatocellular carcinoma ("**HCC**") who received at least one line of prior therapy (the "**TORCH trial**").

  - In April 2021, we dosed the first patient in a Phase II trial of ATG-008 in patients with advanced solid tumors harboring NFE2L2, STK11, RICTOR and other specific genetic alterations (the "**BUNCH trial**").

Other clinical stage assets:

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

  - In May 2021, we dosed the first patient in the Phase I/II clinical study in patients with high-risk myelodysplastic syndrome ("**MDS**") in mainland China (the "**HATCH trial**").

  - In May 2021, we received NMPA's approval of IND application of a Phase I/II clinical study in patients with solid tumors in mainland China (the "**REACH trial**").

  - In June 2021, data with eltanexor was published at the ASCO annual meeting, which showed a bone marrow complete response (mCR) in 7 patients (47%) and a total disease control rate (DCR) of 80%, of the 15 efficacy-evaluable patients with MDS refractory to hypomethylating agents.

- **ATG-019 (dual PAK4/NAMPT inhibitor)**

  - In April 2021, we received NMPA's approval of IND application in mainland China of a Phase I clinical trial to evaluate safety and tolerability of ATG-019 in patients with advanced solid tumors or non-Hodgkin's lymphoma (the "**TEACH trial**").

- **ATG-017 (ERK1/2 inhibitor)**

  - The on-going dose-escalation study of ATG-017 for the treatment of advanced solid tumors and hematologic malignancies in Australia (the "**ERASER trial**") has completed the first 3 cohorts in solid tumors, and has started treating patients in the fourth cohort.

Pre-clinical stage assets:

- We made steady progress in our pre-clinical pipeline assets – ATG-101 (PD-L1/4-1BB bispecific antibody), ATG-037 (CD73 inhibitor), ATG-018 (ATR inhibitor), ATG-022 (Claudin 18.2 antibody-drug conjugate), ATG-012 (KRAS inhibitor), ATG-031 (anti-CD24 monoclonal antibody) and ATG-027 (B7H3/PD-L1 bi-specific antibody).

- Additionally, the Bellberry Human Research Ethics Committee (HREC) in Australia has approved our clinical trial application of the Phase I trial of ATG-101 in patients with metastatic/advanced solid tumors and B-cell non-Hodgkin's lymphoma in July 2021. We plan to initiate this trial and start patient enrollment in Australia before the end of 2021.

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 May 2021, we entered into an exclusive, worldwide license agreement for the development and commercialization of CB-708 (ATG-037), Calithera Biosciences, Inc.'s small molecule inhibitor of CD73. Preclinical data presented at the 2019 American Association for Cancer Research (AACR) Annual Meeting and the 2019 Society for Immunotherapy of Cancer (SITC) Annual Meeting demonstrated that CB-708 has immune-mediated, single agent activity in syngeneic mouse tumor models. In preclinical studies, CB-708 was well-tolerated and had showed enhanced anti-tumor activity when combined with either an anti-PD-L1 immunotherapy or with chemotherapeutic agents, such as oxaliplatin or doxorubicin. CB-708 has completed GLP toxicology studies and is poised to advance into clinical development.

- Moving forward, we will focus on our dual engine strategy by pursuing in-house discovery as well as strategic partnerships to accelerate value creation of the Company.

- With the expected approvals for selinexor across multiple APAC markets towards the end of 2021, Antengene has continued to build up its experienced commercial team across China and the APAC region with plans to grow its commercial organization to up to 200 full time employees in functions including in-house marketing, field force, pricing and market access by the end of 2021.

- In March 2021, the Company has been selected as a constituent stock of the Hang Seng Composite Index (HSCI), the Hang Seng Stock Connect Hong Kong Index (HSHKI), the Hang Seng Stock Connect Hong Kong MidCap & SmallCap Index (HSHKMS), the Hang Seng Stock Connect Hong Kong SmallCap Index (HSHKS), the Hang Seng SCHK Mainland China Companies Index (HSSCMLC), the Hang Seng SCHK ex-AH Companies Index (HSSCNAH), the Hang Seng Healthcare Index (HSHCI), the Hang Seng Hong Kong-Listed Biotech Index (HSHKBIO) and the Hang Seng Small Cap (Investable) Index (HSSIV), according to the quarterly review results of the Hang Seng Family of Indexes. Based on the inclusion, the Company has been selected as an eligible stock in the Shenzhen-Hong Kong Stock Connect, effective from March 15, 2021.

- In May 2021, we hosted an inauguration ceremony for our manufacturing center at the Binhai Life Science and Healthcare Industrial Zone in Shaoxing. The completion of the manufacturing center paves the way for our future production of oral medicines and marks a major milestone in our transition into an innovative biopharmaceutical company with integrated capabilities in discovery, development, manufacturing, and commercialization. At this site, Antengene plans to soon initiate the manufacturing of selinexor, the Company's first selective inhibitor of nuclear compound.

- In May 2021, we entered into a framework agreement with the Hangzhou Qiantang New Area Administrative Committee to build a drug discovery and manufacturing center for antibody biologics, in order to meet the Company's growing need for in-house discovery and to support the Company's commercialization roadmap. This project may involve transactions with various entities in land acquisition and the construction of the facility.

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

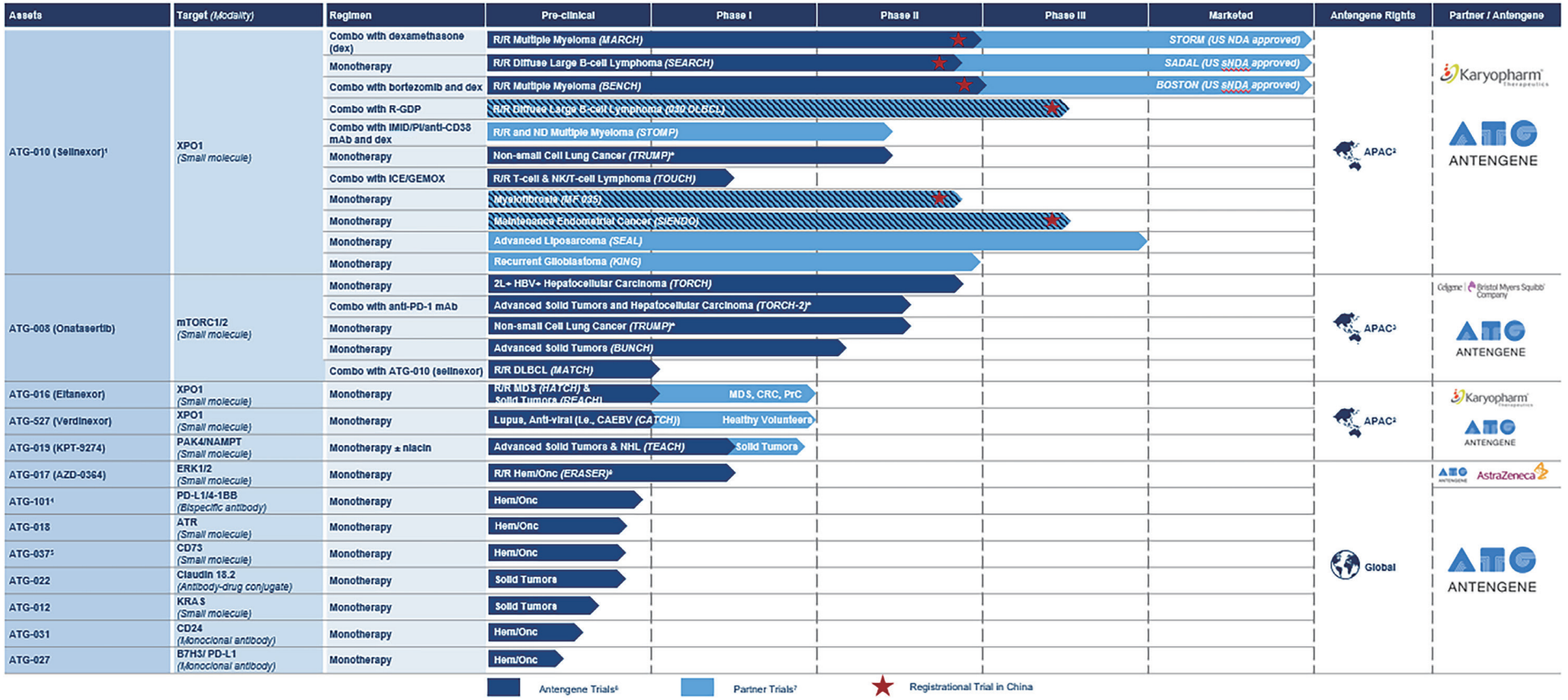
Started operations in 2017, we are a clinical-stage Asia-Pacific ("**APAC**") biopharmaceutical company focused on innovative oncology medicines. We distinguish ourselves through our strong R&D capabilities and strategic approach to developing novel oncology therapies.

We had strategically designed and built a highly selective pipeline of 13 drug assets focused on oncology, including five with APAC rights and eight with global rights. The two late-stage clinical assets which we in-licensed from Karyopharm Therapeutics Inc. ("**Karyopharm**") and Celgene Corporation ("**Celgene**") respectively are serving as our core products ("**Core Products**"). 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 submitted NDAs for selinexor to health authorities in six APAC markets including mainland China, South Korea, Australia, Singapore, Hong Kong, and Taiwan, and obtained IND approvals or initiated five registrational clinical trials of our lead assets, selinexor, in rrMM, rrDLBCL and endometrial cancer in mainland China.

Both of our two Core Products have a promising post-proof-of-concept clinical and commercial profile, ATG-010 (selinexor) being a first-in-class and only-in-class orally available XPO1 inhibitor and ATG-008 (onatasertib) being a potentially first-in-class mTORC1/2 inhibitor. Among our clinical stage assets, we also have two other drug candidates in the validated selective inhibitor of nuclear export ("**SINE**") class, namely ATG-016 (eltanexor) and ATG-527 (verdinexor), which feature differentiated profiles that allow us to target a wide range of indications through both mono-and combination therapies. ATG-019 is a potentially first-in-class orally available dual PAK4/NAMPT inhibitor for the treatment of non-Hodgkin lymphoma (NHL) and advanced solid tumors. ATG-017 is a potent and selective ERK1/2 inhibitor with best-in-class potential for the treatment of various hematological malignancies and solid tumors driven by the aberrant RAS/MAPK pathway.

Product Pipeline^

We have a pipeline of 13 drug candidates that focus on oncology and range from pre-clinical stage to late-stage clinical programs. The following table summarizes our pipeline and the development status of each candidate in the regions noted in the chart below in the "Antengene Rights" column:



[1] (s)NDA approved by US FDA and APAC NDA approvals expected starting 2021; [2] Antengene has rights for Greater China (mainland China, Hong Kong, Taiwan, Macau), Australia, New Zealand, South Korea, and the ASEAN Countries; [3] Antengene has rights for Greater China, South Korea, Singapore, Malaysia, Indonesia, Vietnam, Laos, Cambodia, the Philippines, Thailand and Mongolia; [4] Licensed from Origincell and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-101; [5] Licensed from Calithera Biosciences and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-037; [6] Most advanced trial status in Antengene territories and the trials are responsible by Antengene; [7] Most advanced trial status in partner territories in the rest of the world and the trials are conducted by our licensing partners; [8] The Company intends to assess the safety and efficacy in a variety of tumor types and hematological malignancies mostly harboring RAS or RAF mutations such as in pancreatic cancer, colorectal cancer and AML.

* Investigator-initiated trials; R/R = relapsed/refractory; ND = newly diagnosed; MDS = myelodysplastic syndrome; CRC = colorectal cancer; PrC = prostate cancer; CAEBV = chronic active Epstein-Barr virus; NHL = non-Hodgkin lymphoma; Hem/Onc = hematological malignancies and solid tumors

^ Pipeline chart as of July 31, 2021

BUSINESS REVIEW

We have made steady progress with regard to our pipeline assets in 2021 and submitted NDAs for selinexor in Australia, South Korea, Singapore, and Taiwan for the treatment of rrMM and rrDLBCL and in mainland China and Hong Kong for the treatment of rrMM.

Late-stage Product Candidates

ATG-010 (selinexor, XPO1 inhibitor)

- ATG-010 (selinexor), one of our Core Products, is a first-in-class, orally available SINE compound being developed for the treatment of various hematological malignancies and solid tumors. We obtained exclusive rights from Karyopharm for the development and commercialization of selinexor in mainland China, Hong Kong, Taiwan, Macau, 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 immunomodulatory agents (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 May 2021, Chinese Society of Clinical Oncology (CSCO) added multiple selinexor regimens to its 2021 Diagnosis and Treatment Guidelines for treatment of multiple myeloma and lymphoma.

- Several late-stage clinical studies are underway for selinexor in mainland China:

  – A Phase II registrational clinical trial in combination with low-dose dexamethasone in rrMM (the "**MARCH**" trial). We submitted an NDA to the NMPA in mainland China in January 2021 and priority review was subsequently granted.

  – 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.

  – 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.

– A Phase III registrational clinical trial as monotherapy as a maintenance therapy for patients with endometrial cancer, which is part of the global pivotal trial (the "**SIENDO**" trial) led by Karyopharm. We received IND approval from the NMPA in May 2021.

– A Phase II registrational clinical trial as monotherapy for patients with myelofibrosis, which is part of the global pivotal trial (the "**MF 035**" trial) led by Karyopharm. China NMPA has accepted the IND application in July 2021.

- To further explore the clinical potential of selinexor in cancer treatment, we also initiated early signal detection studies including Phase Ib clinical trial in combination with ifosfamide, carboplatin and etoposide ("**ICE**") or gemcitabine and oxaliplatin ("**GemOx**") in the treatment of T-cell and NK/T-cell lymphoma patients, and a Phase II trial as a monotherapy in the treatment of KRAS-mutant NSCLC.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET ATG-010 (SELINEXOR) SUCCESSFULLY.

ATG-008 (onatasertib, mTORC1/2 inhibitor)

We obtained an exclusive license from Celgene 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. We initiated a Phase I/II study of onatasertib in combination with toripalimab (anti-PD-1 antibody) in mainland China, and in February 2021, we dosed the first patient in the dose expansion cohort. A Phase II study in NFE2L2 mutant NSCLC is also ongoing in mainland China. In addition, we received IND approval from the NMPA for a Phase II biomarker driven solid tumor basket trial in August 2020, and we dosed the first patient in April 2021.

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, Taiwan, Macau, 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 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 NMPA in mainland China in May 2021.

- Verdinexor (ATG-527, third generation XPO1 inhibitor) – We obtained exclusive rights from Karyopharm for the development and commercialization of verdinexor in mainland China, Hong Kong, Taiwan, Macau, South Korea, Australia, New Zealand and ASEAN countries. Verdinexor will be developed in non-oncological indications. Having completed Phase I evaluation in healthy volunteers, a Phase II, multi-centre, signal-seeking basket study protocol is now being developed in Australia that will evaluate the ability of verdinexor to suppress viral load across a range of chronic human viral infections.

- ATG-019 (dual PAK4/NAMPT inhibitor) – We obtained exclusive rights from Karyopharm for the development and commercialization of ATG-019 in mainland China, Hong Kong, Taiwan, Macau, South Korea, Australia, New Zealand and ASEAN countries. In 2020, we dosed the first patient in a Phase I solid tumor and lymphoma clinical study in Taiwan. Subsequently, we received IND approval from the NMPA in mainland China of a Phase I clinical trial to evaluate safety and tolerability of ATG-019 in patients with advanced solid tumors or non-Hodgkin's lymphoma in May 2021.

- 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 on-going dose-escalation study of ATG-017 for the treatment of advanced solid tumors and hematologic malignancies in Australia (the ERASER trial) has completed the first 3 cohorts in solid tumors, and has started treating patients in the fourth cohort.

Pre-clinical Candidates

- ATG-101 (PD-L1/4-1BB bispecific antibody) – The Bellberry Human Research Ethics Committee (HREC) in Australia has approved our clinical trial application ("**CTA**") of the Phase I trial of ATG-101 in patients with metastatic/advanced solid tumors and B-cell non-Hodgkin's lymphoma in July 2021. We plan to initiate this trial and start patient enrollment in Australia before the end of 2021.

- ATG-018 (ATR inhibitor) – We are conducting IND-enabling preclinical studies to support IND/CTA applications of ATG-018 and plan to submit the applications in the beginning of 2022.

- ATG-037 (CD73 inhibitor) – We are conducting chemistry, manufacturing and controls processes ("**CMC**") studies to support IND/CTA applications of ATG-037 and plan to submit the applications by the end of 2021.

- ATG-022 (Claudin 18.2 antibody-drug conjugate) – We are conducting preclinical studies to support IND/CTA applications of ATG-022 and plan to submit the applications in 2022.

- ATG-012 (KRAS inhibitor) – We are conducting preclinical studies to support IND/CTA applications of ATG-012 and plan to submit the applications in 2022.

- ATG-031 (CD24 antibody) – We are conducting preclinical studies to support IND/CTA applications of ATG-031 and plan to submit the applications in 2022.

- 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 2023.

RESEARCH AND DEVELOPMENT

We focus on research and development 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 of July 31, 2021, we have fifteen ongoing clinical studies in mainland China, South Korea, Taiwan and Australia with five of our pipeline assets, including ATG-010 (selinexor, XPO1 inhibitor), ATG-008 (onatasertib, mTORC1/2 inhibitor), ATG-016 (eltanexor, XPO1 inhibitor), ATG-019 (dual PAK4/NAMPT inhibitor) and ATG-017 (ERK1/2 inhibitor). We have completed patient enrollment for the registrational Phase II clinical study in patients with rrMM and are initiating and enrolling patients for four registrational Phase II or Phase III studies in mainland China in rrMM, rrDLBCL and endometrial cancer, respectively. We also submitted NDA applications for ATG-010 (selinexor) to NMPA (mainland China), Therapeutic Goods Administration (Australia), MFDS (South Korea), Health Sciences Authority (Singapore), Hong Kong Department of Health, and TFDA (Taiwan).

Our adjusted research and development costs (non-IFRS measure) were approximately RMB131.1 million and RMB125.9 million for the six months ended June 30, 2020 and June 30, 2021 respectively. As of June 30, 2021, we had filed 19 patent applications in mainland China under the Patent Cooperation Treaty (PCT) for material intellectual properties, among which 2 are pending.

BUSINESS DEVELOPMENT

In May 2021, we entered into an exclusive, worldwide license agreement for the development and commercialization of CB-708 (ATG-037), Calithera Biosciences, Inc.'s small molecule inhibitor of CD73. Preclinical data presented at the 2019 American Association for Cancer Research (AACR) Annual Meeting and the 2019 Society for Immunotherapy of Cancer (SITC) Annual Meeting demonstrated that CB-708 has immune-mediated, single agent activity in syngeneic mouse tumor models. In preclinical studies, CB-708 was well-tolerated and had showed enhanced anti-tumor activity when combined with either an anti-PD-L1 immunotherapy or with chemotherapeutic agents, such as oxaliplatin or doxorubicin. CB-708 has completed GLP toxicology studies and is poised to advance into clinical development.

EVENTS AFTER THE REPORTING PERIOD

On July 6, 2021, China's NMPA has accepted the Investigational New Drug (IND) application for single agent selinexor, a first-in-class orally available Exportin 1 (XPO1) inhibitor, for the treatment of patients with myelofibrosis (MF) in China.

On July 14, 2021, we submitted a NDA to the Taiwan Food and Drug Administration (TFDA) for selinexor, a first-in-class XPO1 inhibitor, for three indications: in combination with bortezomib and dexamethasone (XVd), or in combination with dexamethasone (Xd) for the treatment of patients with relapsed and/or refractory multiple myeloma (RRMM); and as monotherapy in adult patients with relapsed and/or refractory diffuse large B-cell lymphoma (rrDLBCL), including DLBCL arising from follicular lymphoma, who have received at least two lines of systemic therapy.

On July 20, 2021, the Bellberry Human Research Ethics Committee (HREC) in Australia has approved the clinical trial application of the Phase I trial of ATG-101 in patients with metastatic/advanced solid tumors and B-cell non-Hodgkin's lymphoma (B-NHL). This approval marks an important milestone for Antengene as ATG-101 is the first in-house developed innovative molecule with global rights entering clinical stage. In addition, ATG-101 is the first PD-L1/4-1BB bispecific antibody entering clinical stage in Australia. This multi-center, open-label, Phase I trial is designed to evaluate the safety and tolerability of ATG-101 as a single agent in patients with advanced solid tumors and NHL.

On July 29, 2021, through a priority review process, the South Korean Ministry of Food and Drug Safety (MFDS) has approved the Company's NDA for 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. This is the first NDA approval of ATG-010.

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 in 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 six clinical stage products 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 and across the APAC region. We also intend to continue implementing our complementary approach to develop the in-licensed assets for additional indications to maximise their commercial potential.

Looking into the second half of 2021, we received NDA approval from the South Korean Ministry of Food and Drug Safety (MFDS) on July 29, 2021, and we further expect to receive approvals for selinexor (ATG-010) for the other five markets that we submitted NDAs from the fourth quarter of 2021 to the first quarter of 2022, in mainland China, Australia, South Korea, Hong Kong and Singapore. We will also advance two of our pre-clinical novel assets into the IND stage.

With the expected NDA approvals 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 China in the past, we will continue to build out our commercial team in preparation for a first-in-class launch of selinexor in Greater China and the rest of APAC region to address unmet medical needs in our territories. We expect to build a commercial team of approximately 200 members by year end with dedicated in-house marketing, field force, pricing and market access teams along with medical affairs team with proven track record and in-depth regional expertise in hematology oncology.

During the Reporting Period, we have maintained a Named Patient Program (NPP) in Hong Kong and mainland China at the Boao Super Hospital in Boao Lecheng Pilot Zone (and has been authorized to be expanded beyond the Pilot Zone) for the treatment of patients with diseases including rrMM and relapsed or refractory diffuse large B-cell lymphoma (rrDLBCL). The program has provided patients in Hong Kong and mainland China with unmet medical needs with access to an urgently needed therapy. The use of selinexor in such patients will also be a part of real-world research in APAC region.

FINANCIAL INFORMATION

The Board announces the unaudited condensed consolidated results of the Group for the six months ended June 30, 2021, 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,	
		2021	2020
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Audited)
Other income and gains	*4*	**18,135**	19,366
Research and development costs		**(135,333)**	(169,888)
Selling and distribution expenses		**(132)**	–
Administrative expenses		**(78,512)**	(68,681)
Other expenses	*4*	**(36,537)**	(318,096)
Finance costs		**(616)**	(448)
LOSS BEFORE TAX	*5*	**(232,995)**	(537,747)
Income tax expense	*6*	**–**	–
LOSS FOR THE PERIOD		**(232,995)**	(537,747)
Attributable to:			
Owners of the parent		**(232,995)**	(537,747)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
– For loss for the period (RMB Yuan)	*8*	**(0.37)**	(2.58)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
LOSS FOR THE PERIOD	**(232,995)**	(537,747)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**5,310**	–
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**5,310**	–
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**5,310**	–
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(227,685)**	(537,747)
Attributable to:		
Owners of the parent	**(227,685)**	(537,747)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**June 30, 2021** ***RMB'000*** **(Unaudited)**	December 31, 2020 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**67,665**	56,233
Right-of-use assets		**15,316**	9,868
Other intangible assets		**3,277**	277
Equity investment designated at fair value through other comprehensive income		**2,161**	–
Total non-current assets		**88,419**	66,378
CURRENT ASSETS			
Inventories		**195**	–
Prepayments and other receivables	*9*	**37,075**	18,191
Financial assets at fair value through profit or loss		**32,446**	–
Cash and bank balances		**2,806,488**	3,109,832
Total current assets		**2,876,204**	3,128,023
CURRENT LIABILITIES			
Other payables and accruals	*10*	**114,193**	145,672
Lease liabilities		**8,053**	4,929
Total current liabilities		**122,246**	150,601
NET CURRENT ASSETS		**2,753,958**	2,977,422
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,842,377**	3,043,800
NON-CURRENT LIABILITIES			
Lease liabilities		**7,826**	5,992
Total non-current liabilities		**7,826**	5,992
Net assets		**2,834,551**	3,037,808
EQUITY			
Equity attributable to owners of the parent			
Share capital		**448**	448
Treasury shares		**(30)**	(30)
Reserves		**2,834,133**	3,037,390
Total equity		**2,834,551**	3,037,808

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE AND GROUP INFORMATION

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

The Company is an investing holding company. The subsidiaries of the Company were involved in the research and development 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, 2021 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, 2020.

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, 2020, except for the adoption of the following revised International Financial Reporting Standards ("**IFRSs**") for the first time for the current period's financial information.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	*Interest Rate Benchmark Reform – Phase 2*
Amendments to IFRS 16	*Covid-19-Related Rent Concessions beyond June 30, 2021 (early adopted)*

The adoption of the above amendments did not have any impact on the financial position and performance of the Group.

3 OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the development of innovative oncology medicines. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

Since nearly all of the Group's non-current assets were located in Mainland China, no geographical segment information is presented in accordance with IFRS 8 *Operating Segments*.

Information about a major customer

There was no single external customer of the Group that individually accounted for 10% or more of the Group's total revenue during the six months ended June 30, 2021 (June 30, 2020: Nil).

4 OTHER INCOME AND GAINS AND OTHER EXPENSES

An analysis of other income and gains is as follows:

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other income		
Income from pharmaceutical products*	**4,314**	–
Government grants related to income**	**4,155**	1,514
Bank interest income	**9,666**	7,360
	18,135	8,874
Other gains		
Foreign exchange gains, net	**–**	10,492
	18,135	19,366

* Income from pharmaceutical products relates to the Named Patient Program which allows urgently needed drugs not yet approved for treatment of a particular patient with prior approval from local regulatory authorities in Hong Kong and Hainan Boao Lecheng International Medical Tourism Pilot Zone.

** The government grants mainly represent subsidies received from the local governments for the purpose of compensation on the expenses spent on research and clinical trial activities, as allowance for new drug development and funds for talents and incentives for the successful listing of the Company.

An analysis of other expenses is as follows:

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other expenses		
Fair value loss on convertible redeemable preferred shares	**–**	317,363
Foreign exchange loss, net	**35,796**	–
Others	**741**	733
	36,537	318,096

5 LOSS BEFORE TAX

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

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Depreciation of property, plant and equipment	**1,365**	118
Depreciation of right-of-use assets	**2,820**	1,450
Amortisation of other intangible assets	**185**	15
Share issue expenses	**–**	1,635
Lease payments not included in the measurement of lease liabilities	**159**	231
Foreign exchange differences, net	**35,796**	(10,492)
Employee benefit expense:		
Wages and salaries	**50,722**	27,502
Pension scheme contributions (defined contribution scheme)	**7,528**	1,368
Staff welfare expenses	**2,350**	944
Equity-settled share option expense	**23,135**	82,229
	83,735	112,043
Fair value loss on convertible redeemable preferred shares*	**–**	317,363

* Included in "Other expenses" in the condensed 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 are subject to income tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period.

Macau

The subsidiary incorporated in Macau are subject to income tax at the rate of 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 are subject to CIT at a rate of 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. The subsidiary incorporated in Australia is subject to income tax at the rate of 30% 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 operating activity in Singapore during the period. The subsidiary incorporated in Singapore is subject to income tax at the rate of 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 operating activity in South Korea during the period. The subsidiary incorporated in South Korea is subject to income tax at the rate of 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 is subject to statutory United States federal corporate income tax at a rate of 21%. It is also subject to the state income tax in Delaware at a rate of 8.7% during the period.

No provision for income taxation has been made for the six months ended June 30, 2021 and 2020 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, 2021 (June 30, 2020: 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 625,480,467 (June 30, 2020: 208,143,169) (after adjusted for the effect of the Capitalisation Issue) in issue during the period, as adjusted to reflect the rights issue during the period.

No adjustment has been made to the basic loss per share amounts presented for the six months ended June 30, 2021 and 2020 in respect of a dilution as the impact of the share options and redeemable convertible preferred shares 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,	
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**(232,995)**	(537,747)

	Number of shares Six months ended June 30,	
	2021	2020
	(Unaudited)	(Audited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	**625,480,467**	208,143,169

9 PREPAYMENTS AND OTHER RECEIVABLES

	June 30,	December 31,
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Value-added tax recoverable	**14,784**	11,478
Interest receivables	**13,030**	4,245
Amounts due from shareholders	**11**	37
Amounts due from related parties	**–**	17
Prepayments	**5,419**	718
Other receivables	**3,831**	1,696
	37,075	18,191

Other receivables had no historical default. The financial assets included in the above balances relate to receivables were categorised in stage 1 at the end of each reporting period. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. During the period, the Group estimated that the expected credit loss rate for other receivables and deposits is minimal.

The balances are interest-free and are not secured with collateral.

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. In view of the fact that the Group's deposits and other receivables relate to a large number of diversified counterparties, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its deposits and other receivable balances.

10 OTHER PAYABLES AND ACCRUALS

	June 30, 2021 ***RMB'000*** **(Unaudited)**	December 31, 2020 *RMB'000* (Audited)
Amount due to related parties	**11,986**	16,545
Amount due to shareholders	**12**	73
Deferred income*	**36,381**	36,381
Payroll payable	**21,779**	28,584
Other tax payables	**3,970**	3,113
Accrued share issue expenses	**20,106**	30,008
Payables for purchase of property, plant and equipment	**2,853**	4,548
Other payables**	**17,106**	26,420
	114,193	145,672

* As at June 30, 2021, it includes the government grants related to an asset of RMB26,781,000 (December 31, 2020: RMB26,781,000) that will be recognised in profit or loss over the expected useful life of the relevant asset and the government grants related to income of RMB9,600,000 (December 31, 2020: RMB9,600,000) that will be recognised in profit or loss upon the Group complies with the conditions attached to the grants and the government acknowledges acceptance.

** Other payables primarily consisted of accrued or invoiced but unpaid fees for CRO, CDMO and SMO services received.

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

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Other income and gains	**18,135**	19,366
Research and development costs	**(135,333)**	(169,888)
Selling and distribution expenses	**(132)**	–
Administrative expenses	**(78,512)**	(68,681)
Other expenses	**(36,537)**	(318,096)
Finance costs	**(616)**	(448)
LOSS BEFORE TAX	**(232,995)**	(537,747)
Income tax expense	**–**	–
LOSS FOR THE PERIOD	**(232,995)**	(537,747)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(227,685)**	(537,747)
Non-IFRS measures:		
Adjusted loss for the period	**(209,860)**	(136,520)

Other Income and Gains. Our other income and gains decreased by RMB1.3 million from RMB19.4 million for the six months ended June 30, 2020 to RMB18.1 million for the six months ended June 30, 2021. The decrease was mainly attributable to (i) the absence of RMB10.5 million of net foreign exchange gains that was recorded for the six months ended June 30, 2020; (ii) the income of pharmaceutical products of RMB4.3 million for the six months ended June 30, 2021, and (iii) the increase of government grants and bank interest income for the six months ended June 30, 2021.

Other Expenses. Our other expenses decreased by RMB281.6 million from loss of RMB318.1 million for the six months ended June 30, 2020 to loss of RMB36.5 million for the six months ended June 30, 2021. The decrease was mainly attributable to (i) the elimination of fair value loss on convertible redeemable preferred shares of RMB317.4 million as the Group had no preferred shares outstanding as of June 30, 2021, and (ii) the net foreign exchange loss of RMB35.8 million for the six months ended June 30, 2021, as compared to the net foreign exchange gain of RMB10.5 million for the six months ended June 30, 2020 due to the decline in the exchange rate of USD against RMB.

Research and Development Costs. Our research and development costs decreased by RMB34.6 million from RMB169.9 million for the six months ended June 30, 2020 to RMB135.3 million for the six months ended June 30, 2021. This decrease was primarily attributable to the combined impact of (i) a decrease in licensing fees from RMB86.4 million for the six months ended June 30, 2020 to RMB19.8 million for the six months ended June 30, 2021 as we paid an upfront fee of RMB19.8 million in relation to our in-licensing in 2021, as compared to the licensing fees of RMB86.4 million for the six months ended June 30, 2020; (ii) a decrease in employee costs of R&D personnel of RMB19.1 million from RMB53.2 million for the six months ended June 30, 2020 to RMB34.1 million for the six months ended June 30, 2021, mainly due to the share-based payments charged to research and development costs of RMB38.8 million for the six months ended June 30, 2020 which are partially offset by an increase in wages and salaries of R&D personnel of RMB8.0 million from RMB13.7 million for the six months ended June 30, 2020 to RMB21.7 million for the six months ended June 30, 2021 mainly due to our R&D headcount expansion; (iii) RMB36.7 million increase of other clinical-related fees paid to contract research organisations ("**CRO(s)**"), contract development and manufacturing organisations ("**CDMO(s)**") and site management organisations ("**SMOs**") in line with our increased R&D activities; and (iv) a RMB10.5 million increase in professional fees for patents, consulting and other services in relation to research and development activities.

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
Employee costs		
Wages and salaries	**21,706**	13,691
Pension scheme contributions	**2,902**	694
Staff welfare expenses	**101**	**–**
Equity-settled share option expense	**9,433**	38,793
Depreciation and amortisation	**489**	37
Licensing fees	**19,838**	86,406
Other clinical-related fees	**64,429**	27,770
Professional fees	**12,598**	2,115
Others	**3,837**	382
Total	**135,333**	169,888

Administrative Expenses. Our administrative expenses increased by RMB9.8 million from RMB68.7 million for the six months ended June 30, 2020 to RMB78.5 million for the six months ended June 30, 2021. This increase was primarily attributable to (i) a decrease in employee costs of administrative personnel of RMB9.3 million from RMB58.9 million for the six months ended June 30, 2020 to RMB49.6 million for the six months ended June 30, 2021, mainly due to the share-based payments charged to administrative expenses of RMB43.4 million for the six months ended June 30, 2020 which are partially offset by an increase in wages and salaries of non-R&D personnel of RMB15.2 million from RMB13.8 million for the six months ended June 30, 2020 to RMB29.0 million for the six months ended June 30, 2021 mainly due to headcount expansion of our non-R&D personnel; and (ii) RMB13.5 million increase in professional fees for legal, consulting, recruiting, translation and other services in relation to operating and administrative activities.

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
Employee costs		
Wages and salaries	**29,016**	13,811
Pension scheme contributions	**4,626**	674
Staff welfare expenses	**2,249**	944
Equity-settled share option expense	**13,702**	43,436
Share issue expenses	**–**	1,635
Professional fees	**15,565**	2,086
Depreciation and amortisation	**3,881**	1,546
Others	**9,473**	4,549
Total	**78,512**	68,681

Finance Costs. Our finance costs increased slightly by RMB0.2 million from RMB0.4 million for the six months ended June 30, 2020 to RMB0.6 million for the six months ended June 30, 2021. This increase was primarily attributable to increase in the interest expenses on lease liabilities.

Non-IFRS Measures

To supplement the Group's 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 option expense, share issue expenses and certain non-cash items and one-time events, namely fair value loss on convertible redeemable preferred shares. 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:

	Six months ended June 30,	
	2021	2020
	RMB'000	*RMB'000*
Loss for the period	**(232,995)**	(537,747)
Added:		
Fair value loss on convertible redeemable preferred shares	**–**	317,363
Share issue expenses	**–**	1,635
Equity-settled share option expense	**23,135**	82,229
Adjusted loss for the period	**(209,860)**	(136,520)

Employees and Remuneration Policies

The following table sets forth a breakdown of our employees as at June 30, 2021 by function:

Function	**Number of employees**	**% of total number of employees**
Research and Development	80	36.53
Sales, General and Administrative	124	56.62
Manufacturing	15	6.85
Total	219	100.00

As of June 30, 2021, we had 199 employees in China and 20 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.

Liquidity and Financial Resources

As of June 30, 2021, our cash and bank balances were RMB2,806.5 million, as compared to RMB3,109.8 million as of December 31, 2020. The decrease was mainly due to the research and development costs and the administrative expenses.

As at June 30, 2021, the Group's cash and bank balances were held mainly in USD and RMB.

As at June 30, 2021, the current assets of the Group were RMB2,876.2 million, including cash and bank balances of RMB2,806.5 million, financial assets at fair value through profit or loss of RMB32.4 million and other current assets of RMB37.3 million. As at June 30, 2021, the current liabilities of the Group were RMB122.2 million, including other payables and accruals of RMB114.2 million and other current liabilities of RMB8.0 million.

As at June 30, 2021, the financial assets at fair value through profit or loss in current assets represented our investments in wealth management products as part of our cash management.

Current ratio

Current ratio is calculated using current assets divided by current liabilities and multiplied by 100%. As at June 30, 2021, our current ratio was 2,352.8% (as at December 31, 2020: 2,077.0%).

Gearing Ratio

Gearing ratio is calculated using total liabilities divided by total assets and multiplied by 100%. As at June 30, 2021, our gearing ratio was 4.4% (as at December 31, 2020: 4.9%).

Other Financial Information

Significant Investments, Material Acquisitions and Disposals

As of June 30, 2021, we did not hold any significant investments. For the six months ended June 30, 2021, we did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

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 of June 30, 2021, we did not have any material contingent liabilities.

Pledge of assets

There was no pledge of the Group's assets as at June 30, 2021.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company is committed to maintain high standards of corporate governance to safeguard the interests of 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 and Corporate Governance Report (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"). During the six months ended June 30, 2021, the Board is of the opinion that the Company has complied with all the code provisions apart from the deviation below.

Code provision A.2.1 of the CG Code provides that the roles of the chairman of the Board (the "**Chairman**") and chief executive officer ("**CEO**") should be separated and should not be performed by the same individual. During the six months ended June 30, 2021 and as of 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 management and the Board.

Further, the decisions to be made by the Board require approval by at least a majority of our directors and that the Board comprises two non-executive directors 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, 2021.

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 Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**").

Specific enquiries have been made of all the Directors and they have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are 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 throughout 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 utilised 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, 2021:

Function	% of use of proceeds (Approximately)	Net proceeds from the HK IPO *RMB million*	Actual usage up to June 30, 2021 *RMB million*	Unutilised net proceeds as of June 30, 2021 *RMB million*
Fund ongoing and planned clinical trials and milestone payments of our two Core Products and commercial launches of ATG-010	41%	932.63	135.09	797.54
Fund ongoing and planned clinical trials and milestone payments of four other clinical-stage drug candidates in our pipeline	25%	568.67	37.15	531.52
Fund ongoing pre-clinical studies and planned clinical trials for other pre-clinical drug candidates in our pipeline	9%	204.72	33.74	170.98
For expansion of our pipeline, including discovery of new drug candidates and business development activities	14%	318.46	22.86	295.60
For capital expenditure	1%	22.75	17.15	5.60
For general corporate purposes	10%	227.47	121.59	105.88
Total	100%	2,274.70	367.58	1,907.12

Notes:

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

(2) The unutilised net proceeds of RMB1,907.12 million as of June 30, 2021 are expected to be partially used by December 31, 2021.

Audit Committee

The audit committee of the Company (the "**Audit Committee**") has three members (who are all independent non-executive directors), being Mr. Sheng Tang (chairman), Mr. Mark J. Alles, and Ms. Jing Qian with 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 unaudited interim financial results for the six months ended June 30, 2021 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

Material Litigation

The Company was not involved in any material litigation or arbitration during the six months ended June 30, 2021. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group as of June 30, 2021.

INTERIM DIVIDEND

The Board does not recommend the payment of a dividend for the six months ended June 30, 2021.

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, 2021 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to shareholders and published on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, August 20, 2021

As at the date of this announcement, the board of directors of the Company comprises Dr. Jay Mei, Mr. John F. Chin, Dr. Kevin Patrick Lynch and Mr. Donald Andrew Lung as executive directors; Mr. Yanling Cao and Dr. Kan Chen as non-executive directors; and Mr. Mark J. Alles, Ms. Jing Qian and Mr. Sheng Tang as independent non-executive directors.