Antengene Corporation Limited
德琪醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6996)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023 AND PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION AND CHANGE IN USE OF PROCEEDS

The board of directors (the "**Board**") of Antengene Corporation Limited (the "**Company**" or "**Antengene**") is pleased to announce the consolidated results of the Company and its subsidiaries (together, the "**Group**", "**we**" or "**us**") for the year ended December 31, 2023 (the "**Reporting Period**"), together with comparative figures for the year ended December 31, 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 audited by the Company's auditor.

FINANCIAL HIGHLIGHTS

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Revenue	**67,305**	160,135
Other income and gains	**115,786**	293,904
Research and development costs	**(405,669)**	(488,491)
Selling and distribution expenses	**(192,739)**	(355,391)
—Milestone payments related to APAC commercialization	***(57,432)***	*(136,564)*
Administrative expenses	**(148,056)**	(167,055)
Loss for the year	**(581,183)**	(601,488)
Adjusted loss for the year*	**(533,904)**	(550,184)
Adjusted loss for the year excluding net foreign exchange gain	**(580,459)**	(805,439)

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

IFRS Measures:

Our revenue decreased by RMB92.8 million from RMB160.1 million for the year ended December 31, 2022 to RMB67.3 million for the year ended December 31, 2023, primarily attributable to the decline in revenue from Chinese Mainland, which was primarily attributable to the combined impact of (i) the voluntary price cut of XPOVIO® (selinexor) in August 2023; (ii) the inclusion of XPOVIO® (selinexor) in the National Reimbursement Drug List ("**NRDL**") in December 2023 which led to a one-time negative adjustment in revenue for distributor channel inventory compensation; and (iii) the commercialization partnership with Hansoh Pharmaceutical Group Company Limited ("**Hansoh Pharma**", SEHK: 3692.HK) for XPOVIO® (selinexor) in August 2023, which initially resulted in a temporary sales decline as there was a transition period involved before a ramp up in sales.

Our other income and gains decreased by RMB178.1 million from RMB293.9 million for the year ended December 31, 2022 to RMB115.8 million for the year ended December 31, 2023, primarily attributable to the decreased net foreign exchange gain.

Our research and development costs decreased by RMB82.8 million from RMB488.5 million for the year ended December 31, 2022 to RMB405.7 million for the year ended December 31, 2023, primarily attributable to our decreased drug development expenses, which was partially offset by our increased licensing fees.

Our selling and distribution expenses decreased by RMB162.7 million from RMB355.4 million for the year ended December 31, 2022 to RMB192.7 million for the year ended December 31, 2023, primarily attributable to the decreased market development expenses due to the commercialization partnership with Hansoh Pharma as well as a smaller milestone payment triggered by non-recurring events related to the Asia-Pacific ("**APAC**") commercialization of XPOVIO® (selinexor).

Our administrative expenses decreased by RMB19.0 million from RMB167.1 million for the year ended December 31, 2022 to RMB148.1 million for the year ended December 31, 2023, primarily attributable to the decreased employee costs and professional fees.

As a result of the foregoing, the loss for the year decreased by RMB20.3 million from RMB601.5 million for the year ended December 31, 2022 to RMB581.2 million for the year ended December 31, 2023.

Non-IFRS Measures:

Adjusted loss for the year decreased by RMB16.3 million from RMB550.2 million for the year ended December 31, 2022 to RMB533.9 million for the year ended December 31, 2023, primarily due to our decreased selling and distribution expenses, research and development costs and administrative expenses, partially offset by our decreased net foreign exchange gain.

Adjusted loss for the year excluding net foreign exchange gain decreased significantly by RMB224.9 million from RMB805.4 million for the year ended December 31, 2022 to RMB580.5 million for the year ended December 31, 2023, representing a remarkable reduction of 27.9%, which was largely due to our well-performed cost efficiency strategy resulting in the decrease of our operating expenses. Despite the inclusion of XPOVIO® (selinexor) in the NRDL necessitating a one-time negative adjustment in revenue for distributor channel inventory compensation, thereby impacting our revenue temporarily in 2023, the long-term outlook remains positive. We anticipate that the inclusion of XPOVIO® (selinexor) in the NRDL and our ongoing efforts to control costs will positively contribute to the growth potential of our financial performance in the coming years.

BUSINESS HIGHLIGHTS

During the year ended December 31, 2023, 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)**

  - Chinese Mainland: In August 2023, Antengene and Hansoh Pharma have entered into a collaboration agreement for the commercialization of XPOVIO® (selinexor) in Chinese Mainland. Under 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 Chinese Mainland. Antengene will receive up to RMB200 million of upfront payments, RMB100 million of which shall be received upon signing, 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 in milestone payments from Hansoh Pharma. Antengene will continue to record revenues from sales of XPOVIO® (selinexor) in Chinese Mainland and Hansoh Pharma will charge a service fee to Antengene.

  - Chinese Mainland: In December 2023, XPOVIO® (selinexor) has been added to the National Reimbursement Drug List (2023 Version) (the "**2023 NRDL**") for the treatment of adult patients with relapsed/refractory multiple myeloma (rrMM) whose disease is refractory to at least one proteasome inhibitors (PIs), one immunomodulatory agent (IMiD), and an anti-CD38 monoclonal antibody (mAb). The 2023 NRDL has officially taken effect from January 1, 2024.

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

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

  - Hong Kong: In July 2023, the Department of Health, the Government of the Hong Kong Special Administrative Region (HKSAR) has approved an NDA 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 PIs, two IMiDs, an anti-CD38 monoclonal antibody, and who have demonstrated disease progression on the last therapy.

- Macau: In December 2023, the Pharmaceutical Administration Bureau of Macau has approved an NDA 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 PIs, two 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 which were subsequently presented as poster at the 2023 American Society for Clinical Oncology Annual Meeting (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 was completed in Chinese Mainland.

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

  In July 2023, we dosed the first patient in the phase I study of ATG-017 for the treatment of advanced solid tumors and hematologic malignancies (the "**ERASER trial**") in the United States.

- **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 Chinese Mainland, Australia, and the United States, respectively.

  Early data from the Phase I PROBE trial have shown a partial response (PR) in a patient with metastatic colon adenocarcinoma (microsatellite stability biomarker (MSS), liver metastasis, and three prior lines of therapy) which is ongoing. Moreover, durable stable diseases were seen in starting doses with no off-target liver toxicities observed.

- **ATG-037 (CD73 inhibitor)**

  In July 2023, we dosed the first patient in the Phase I trial of ATG-037 as monotherapy as well as in combination with pembrolizumab (an anti-PD-1 antibody) in patients with locally advanced or metastatic solid tumors (the "**STAMINA trial**") in Chinese Mainland. We are currently enrolling patients in Australia and Chinese Mainland.

  In the dose escalation portion of the Phase I STAMINA trial, PRs were observed in three patients previously treated with a checkpoint inhibitor (CPI, pembrolizumab or nivolumab). These three responders include two melanoma patients and one non-small cell lung cancer patient who had undergone treatment with chemotherapy in addition to a CPI (anti-PD-1).

- **ATG-018 (ATR inhibitor)**

  The Phase I trial of ATG-018 in patients with advanced solid tumors and hematologic malignancies (the "**ATRIUM trial**") is ongoing in Australia.

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

  In March 2023, we received the investigational new drug (IND) approval from the China National Medical Products Administration (the "**NMPA**") for the Phase I study of ATG-022 for the treatment of advanced or metastatic solid tumors (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 Chinese Mainland.

  Initial clinical data include a complete response (CR) and a PR in two late-stage metastatic gastric cancer patients among 7 enrolled gastric cancer patients (without pre-screening patients' Claudin 18.2 expression levels) in the Phase I CLINCH trial.

- **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 (the "**PERFORM trial**").

  In December 2023, we dosed the first patient in the PERFORM trial for the treatment of patients with advanced solid tumors or B-NHL in the United States.

- **Pre-clinical stage assets:**

  We made steady progress in our pre-clinical pipeline assets – ATG-042 (PRMT5-MTA inhibitor) and ATG-102 (LILRB4 x CD3 T cell engager).

- **Technology Platform:**

  We made steady progress in our novel "2+1" T cell engager platform AnTenGager™, which enables conditional T cell activation with reduced risk of cytokine release syndrome (CRS).

Business development and other key activities:

- 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.

- In August 2023, Antengene and Hansoh Pharma have entered into a collaboration agreement for the commercialization of XPOVIO® (selinexor) in Chinese Mainland. Under 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 Chinese Mainland. Antengene will receive up to RMB200 million of upfront payments, RMB100 million of which shall be received upon signing, 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 in milestone payments from Hansoh Pharma. Antengene will continue to record revenues from sales of XPOVIO® (selinexor) in Chinese Mainland and Hansoh Pharma will charge a service fee to Antengene.

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 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 an innovative research pipeline of 9 clinical and 1 pre-clinical stage drug assets focused on oncology, including 3 with APAC rights and 7 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 Chinese Mainland, Australia, South Korea, Singapore, Taiwan, Hong Kong and Macau. We subsequently submitted NDAs for XPOVIO® (selinexor) to the Malaysian National Pharmaceutical Regulatory Agency, Thai Food and Drug Authority and Indonesia BPOM for the treatment of rrMM and rrDLBCL.

Product Pipeline

We have a pipeline of 10 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. Each candidate in the regions noted in the chart below in the "Antengene Rights" column:

Assets	Target (Modality)	Indication	Pre-clinical	Phase I	Phase II	Phase III/Pivotal	NDA	Commercialization	Antengene Rights	Partner
ATG-010 (Selinexor) [1,2]	XPO1 (Small molecule)	R/R Multiple Myeloma	Combo with dexamethasone *(MARCH)*					Mainland China NDA approv	APAC[2]	Karyopharm Therapeutics
			Combo with dexamethasone *(STORM) – Partner's Pivotal Trial in the US*					US, EU, UK, IL, SK, SG, AU, TW, HK & MC NDA app		
			Combo with bortezomib and dexamethasone *(BENCH)*			★				
			Combo with bortezomib and dexamethasone *(BOSTON) – Partner's Pivotal Trial in the US*					US, EU, UK, IL, CA, SG, AU & TW sND		
			Combo with IMID/PI/CD38 mAb and dexamethasone *(STOMP)*							
		R/R Diffuse Large B-cell Lymphoma	Monotherapy *(SEARCH)*			★				
			Monotherapy *(SADAL) – Partner's Pivotal Trial in the US**					US, I		
			Combo with R-GDP *(DLBCL-030)*		★					
		Myelofibrosis	Combo with ruxolitinib *(MF-034)*			★				
		R/R T-cell & NK-cell Lymphoma	Combo with ICE/GemOx/tislelizumab *(TOUCH)* with BeiGene Clinical Collaboration							
		Maintenance Therapy for Endometrial Cancer	Monotherapy *(SIENDO)*							
			Monotherapy *(EC-042) – Partner's Pivotal Trial in the US*			★				
ATG-016[2] (Eltanexor)	XPO1 (Small molecule)	R/R MDS	Monotherapy *(HATCH)*							
ATG-008 (Onatasertib)[3]	mTORC1/2 (Small molecule)	Cervical Cancer and Other Advanced Solid Tumors	*Combo with toripalimab (TORCH-2)*** with TopAlliance 君实生物 Clinical Collaboration						APAC[3]	Celgene Bristol Myers Squibb Company
ATG-022	Claudin 18.2 (ADC)	Onc	Monotherapy *(CLINCH)*						Global	ANTENGENE
ATG-037[4]	CD73 (Small molecule)	Hem/Onc	Monotherapy + pembrolizumab *(STAMINA)* with MERCK Clinical Collaboration							
ATG-101[5]	PD-L1/4-1BB (Bispecific)	Hem/Onc	Monotherapy *(PROBE & PROBE-CN)*							
ATG-031	CD24 (mAb)	Hem/Onc	Monotherapy *(PERFORM)*							
ATG-017 (Tizaterkib)[6]	ERK1/2 (Small molecule)	R/R Hem/Onc	Monotherapy + nivolumab *(ERASER)* with Bristol Myers Squibb Clinical Collaboration							
ATG-018	ATR (Small molecule)	Hem/Onc	Monotherapy *(ATRIUM)*							
ATG-042	PRMT5-MTA (Small molecule)	Hem/Onc	Pre-clinical							

Antengene Trials[7] | Partner Trials[8] | Partner Global Trials in Antengene Region | ★ Registrational Trial

[1] (s)NDA approved by US FDA, China NMPA, Australia TGA, South Korea MFDS, Singapore HSA, China Hong Kong DoH and China Taiwan TFDA;
[2] Licensed from Karyopharm and Antengene has rights 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 Calithera Biosciences and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG-037
[5] Licensed from Origincell and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG -101;
[6] Licensed from AstraZeneca and Antengene has obtained exclusive global rights to develop, commercialize and manufacture ATG -017;
[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

* SADAL Study (DLBCL US Trial) approval is under the accelerated approval pathway; ** 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; R-GDP: Rituximab, Gemcitabine, Dexamethasone & Cisplatin; GemOx: Gemcitabine, Oxaliplatin; ICE: Ifosfamide, Carboplatin, Etoposide

AU: Australia; CA: Canada; EU: Europe; HK: Hong Kong; IL: Israel; MC: Macau; SG: Singapore; SK: South Korea; TW: Taiwan; UK: United Kingdom; US: United States;

BUSINESS REVIEW

We have made steady progress with regards to our pipeline assets in 2023 and submitted NDAs for XPOVIO® (selinexor) in Indonesia for the treatment of rrMM and rrDLBCL. We have obtained NDA approvals in Macau in 2023.

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 Chinese Mainland, 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 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 new drug application (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, 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.

In May 2023, we have submitted NDAs for XPOVIO® (selinexor) to the Indonesia BPOM for the treatment of rrMM and rrDLBCL.

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

In July 2023, the Department of Health, the Government of the HKSAR has approved an NDA 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 PIs, two IMiDs, an anti-CD38 monoclonal antibody, and who have demonstrated disease progression on the last therapy.

In August 2023, Antengene and Hansoh Pharma have entered into a collaboration agreement for the commercialization of XPOVIO® (selinexor) in Chinese Mainland. Under 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 Chinese Mainland. Antengene will receive up to RMB200 million of upfront payments, RMB100 million of which shall be received upon signing, 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 in milestone payments from Hansoh Pharma. Antengene will continue to record revenues from sales of XPOVIO® (selinexor) in Chinese Mainland and Hansoh Pharma will charge a service fee to Antengene.

In December 2023, the Pharmaceutical Administration Bureau of Macau has approved an NDA 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 PIs, two IMiDs, an anti-CD38 monoclonal antibody, and who have demonstrated disease progression on the last therapy.

In December 2023, XPOVIO® (selinexor) has been added to the 2023 NRDL for the treatment of adult patients with rrMM whose disease is refractory to at least one PIs, one IMiD, and an anti-CD38 mAb. The 2023 NRDL has officially taken effect from January 1, 2024.

We have obtained NDA approvals of XPOVIO® (selinexor) in Chinese Mainland, South Korea, Singapore, Australia, Taiwan, Hong Kong and Macau. 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. We have also submitted NDA for XPOVIO® (selinexor) to Malaysian National Pharmaceutical Regulatory Agency, Thai Food and Drug Authority and Indonesia BPOM.

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

A Phase II registrational clinical trial as monotherapy in rrDLBCL (the "**SEARCH trial**").

A Phase III registrational clinical trial in combination with bortezomib and low-dose dexamethasone in rrMM (the "**BENCH trial**").

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, is ongoing in Chinese Mainland.

Late-stage Product Candidates

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 Chinese Mainland 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 Chinese Mainland (TORCH-2 study).

In May 2023, we announced the latest results from the Phase I/II TORCH-2 study, which were subsequently presented as poster at the 2023 American Society for Clinical Oncology Annual Meeting (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 Chinese Mainland, 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 Chinese Mainland, 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 Chinese Mainland 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 NMPA in Chinese Mainland in March 2022. In addition, we have completed a study in Chinese Mainland: 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 phase I study of ATG-017 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 Chinese Mainland. The dose-escalation studies are ongoing in Australia, 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 Human Research Ethics Committees (HREC) in Australia for the Phase I trial in February 2022 and dosed the first patient in June 2022. The NMPA has approved a Phase I trial of ATG-037 in November 2022 and dosed the first patient in July 2023. 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.

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 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 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 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 US FDA to initiate the Phase I PERFORM trial in patients with advanced solid tumors or B-NHL in May 2023 and dosed the first patient in December 2023.

Pre-clinical Candidates

ATG-042 (PRMT5-MTA inhibitor) – We are conducting pre-clinical studies to support IND/CTA applications of ATG-042.

ATG-102 (LILRB4 x CD3 T cell engager) – We are conducting pre-clinical studies to support IND/CTA applications of ATG-102.

Technology Platform

AnTenGager™ (T cell engager platform) – We are conducting pre-clinical studies for multiple AnTenGager-based TCEs.

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 December 31, 2023, we have 14 ongoing clinical studies in Chinese Mainland, the United States and Australia with 9 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), ATG-022 (Claudin 18.2 antibody-drug conjugate) and ATG-031 (CD24 antibody). We have obtained NDA approvals of XPOVIO® (selinexor) in Chinese Mainland, South Korea, Singapore, Australia and Taiwan as at December 31, 2023. We have already obtained NDA approval of XPOVIO® (selinexor) in Hong Kong and Macau in July and December 2023 respectively. We also submitted NDA applications for XPOVIO® (selinexor) to Malaysian National Pharmaceutical Regulatory Agency, Thai Food and Drug Authority and Indonesia 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 research and development costs (non-IFRS measure) were approximately RMB374.6 million and RMB461.4 million for the year ended December 31, 2023 and December 31, 2022 respectively. As at December 31, 2023, we filed 5 new international applications under the Patent Cooperation Treaty (PCT) for material intellectual properties. Among the pending PCT applications, 2 of which have entered the national/regional phases in major markets globally.

BUSINESS DEVELOPMENT

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 the Assignment Agreement with 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.

In August 2023, Antengene and Hansoh Pharma have entered into a collaboration agreement for the commercialization of XPOVIO® (selinexor) in Chinese Mainland. Under 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 Chinese Mainland. Antengene will receive up to RMB200 million of upfront payments, RMB100 million of which shall be received upon signing, 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 in milestone payments from Hansoh Pharma. Antengene will continue to record revenues from sales of XPOVIO® (selinexor) in Chinese Mainland and Hansoh Pharma will charge a service fee to Antengene.

EVENTS AFTER THE REPORTING PERIOD

In March 2024, the Company announced that four pre-clinical abstracts on ATG-042, ATG-102, ATG-022 and the proprietary T cell engager platform, AnTenGager™, respectively, all of which have been selected as poster presentations at the 2024 American Association for Cancer Research Annual Meeting (AACR 2024), taking place from April 5, 2024 to April 10, 2024 at the San Diego Convention Center in San Diego, California, the United States.

Save as disclosed above, there have been no other significant events subsequent to the Reporting Period and up to the date of this announcement.

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 9 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 have received NDA approvals for XPOVIO® (selinexor, ATG-010) in South Korea and Chinese Mainland in 2021, approvals in Singapore, Australia and Taiwan in 2022, and approvals in Macau and Hong Kong in 2023.

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 XPOVIO® (selinexor) in Greater China and the rest of APAC region to address unmet medical needs in our territories.

Looking into 2024, we expect to put multiple of our Phase I clinical novel assets into expansion and Phase II stage.

FINANCIAL INFORMATION

The Board announces the consolidated results of the Group for the year ended December 31, 2023, with comparative figures for the corresponding period in the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	**2023** ***RMB'000***	2022 *RMB'000*
REVENUE	*4*	**67,305**	160,135
Cost of sales		**(12,293)**	(28,131)
Gross profit		**55,012**	132,004
Other income and gains	*4*	**115,786**	293,904
Research and development costs		**(405,669)**	(488,491)
Selling and distribution expenses		**(192,739)**	(355,391)
Administrative expenses		**(148,056)**	(167,055)
Other expenses		**(4,619)**	(15,485)
Finance costs		**(898)**	(974)
LOSS BEFORE TAX	*5*	**(581,183)**	(601,488)
Income tax expense	*6*	**–**	–
LOSS FOR THE YEAR		**(581,183)**	(601,488)
Attributable to:			
Owners of the parent		**(581,183)**	(601,488)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic and diluted			
– For loss for the year		**RMB (0.94)**	RMB (0.97)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2023	2022
	RMB'000	*RMB'000*
LOSS FOR THE YEAR	**(581,183)**	(601,488)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(32,034)**	(96,977)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	**(32,034)**	(96,977)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(613,217)**	(698,465)
Attributable to:		
Owners of the parent	**(613,217)**	(698,465)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2023 RMB'000	2022 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**240,091**	154,483
Right-of-use assets		**66,493**	74,878
Other intangible assets		**3,365**	6,584
Equity investments designated at fair value through other comprehensive income		**3,636**	2,574
Financial assets at fair value through profit or loss		**5,181**	4,195
Prepayments and other receivables		**57,997**	3,366
Total non-current assets		**376,763**	246,080
CURRENT ASSETS			
Inventories		**15,266**	9,892
Trade receivables	*9*	**9,684**	29,767
Prepayments and other receivables		**29,066**	66,684
Financial assets at fair value through profit or loss		**105**	103
Cash and bank balances		**1,187,703**	1,789,634
Total current assets		**1,241,824**	1,896,080
CURRENT LIABILITIES			
Trade payables	*10*	**3,857**	7,822
Other payables and accruals	*11*	**179,766**	363,061
Lease liabilities		**7,265**	10,914
Total current liabilities		**190,888**	381,797
NET CURRENT ASSETS		**1,050,936**	1,514,283
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,427,699**	1,760,363
NON-CURRENT LIABILITIES			
Lease liabilities		**13,755**	17,041
Interest-bearing bank borrowings	*12*	**180,000**	30,000
Other non-current liabilities	*13*	**86,560**	–
Total non-current liabilities		**280,315**	47,041
Net assets		**1,147,384**	1,713,322
EQUITY			
Equity attributable to owners of the parent			
Share capital		**451**	451
Treasury shares		**(7,073)**	(10,353)
Reserves		**1,154,006**	1,723,224
Total equity		**1,147,384**	1,713,322

NOTES TO THE 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 investing holding company. During the year, the Group was 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. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board (the "IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS 17	*Insurance Contracts*
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 nature and the impact of the new and revised IFRSs that are applicable to the Group are described below:

(a) Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in note 2 to the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.

(b) Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.

(c) Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in IAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. Prior to the initial application of these amendments, the Group applied the initial recognition exception and did not recognise a deferred tax asset and a deferred tax liability for temporary differences for transactions related to leases. Upon the application of the amendments, the Group has determined the temporary differences arising from right-of-use assets and lease liabilities separately However, they did not have any material impact on the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualified for offsetting under IAS 12.

(d) Amendments to IAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

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

	2023	2022
	RMB'000	*RMB'000*
Greater China	**57,187**	154,870
Other countries/regions	**10,118**	5,265
Total revenue	**67,305**	160,135

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

(b) Non-current assets

	2023	2022
	RMB'000	*RMB'000*
Greater China	**359,949**	228,715
United States	**3,775**	5,571
Australia	**2,093**	2,876
Total non-current assets	**365,817**	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:

	2023	2022
	RMB'000	*RMB'000*
Customer A	**56,700**	139,047
Customer B	**8,516**	*

* 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:

	2023	2022
	RMB'000	*RMB'000*
Revenue from contracts with customers	**67,305**	160,135

Revenue from contracts with customers

(a) Disaggregated revenue information

	2023	2022
	RMB'000	*RMB'000*
Types of goods		
Sales of pharmaceutical products	**67,305**	160,135
Geographical markets		
Greater China	**57,187**	154,870
Other countries/regions	**10,118**	5,265
Total	**67,305**	160,135
Timing of revenue recognition		
Goods transferred at a point in time	**67,305**	160,135

(b) Performance obligations

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

Sale of pharmaceutical products

The performance obligation is satisfied upon delivery of the pharmaceutical products and payment is generally due within 60 to 150 days from the date of billing.

An analysis of other income and gains is as follows:

	2023	2022
	RMB'000	*RMB'000*
Other income		
Government grants*	**29,881**	10,426
Bank interest income	**38,688**	27,435
Other interest income from financial assets at fair value through profit or loss	**95**	769
Others	**45**	19
Total other income	**68,709**	38,649
Other gains		
Gain on disposal of items of property, plant and equipment	**5**	–
Fair value gains on financial assets at fair value through profit and loss	**517**	–
Foreign exchange gains, net	**46,555**	255,255
Total gains	**47,077**	255,255
Total other income and gains	**115,786**	293,904

* 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):

	2023	2022
	RMB'000	*RMB'000*
Cost of inventories sold	**12,293**	28,131
Depreciation of property, plant and equipment	**15,881**	12,828
Depreciation of right-of-use assets	**12,945**	13,393
Amortisation of other intangible assets	**1,148**	979
Lease payments not included in the measurement of lease liabilities	**2,414**	1,251
Auditor's remuneration	**2,700**	2,700
Employee benefit expense (excluding directors' and chief executive's remuneration)		
Wages and salaries	**213,595**	214,482
Pension scheme contributions (defined contribution scheme)	**30,165**	32,306
Staff welfare expenses	**3,184**	5,942
Equity-settled share-based payment expense	**35,493**	36,406
Total	**282,437**	289,136
Foreign exchange differences, net	**(46,555)**	(255,255)
Impairment of other intangible assets*	**2,226**	–
Fair value gains on financial assets at fair value through profit and loss**	**(517)**	–
Loss on disposal of right-of-use assets for early terminated leases*	**223**	13
Gain on disposal of items of property, plant and equipment**	**(5)**	–

* Included in "Other expenses" in the consolidated statement of profit or loss

** 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 year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HKD2,000,000 (2022: HKD2,000,000) 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 year.

Chinese Mainland

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 Chinese Mainland 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 year (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 year.

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 year (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 year.

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 year (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 year.

United States of America

The subsidiary incorporated in Delaware, the United States was subject to statutory federal corporate income tax of the United States 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 year.

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 year. 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 year.

A reconciliation of the tax expense applicable to loss before tax at the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

	2023	2022
	RMB'000	*RMB'000*
Loss before tax	**(581,183)**	(601,488)
Tax at the statutory tax rate (25%)	**(145,296)**	(150,372)
Different tax rates for specific jurisdictions or enacted by local authorities	**(3,990)**	(56,857)
Additional deductible allowance for qualified research and development costs	**(29,356)**	(46,191)
Expenses not deductible for tax	**16,548**	34,419
Tax losses and temporary differences not recognised	**162,094**	219,001
Tax charge at the Group's effective rate	**–**	–

The Group has accumulated tax losses in Chinese Mainland of RMB1,939,019,000 and RMB1,495,333,000 as at December 31, 2023 and 2022, respectively, that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has accumulated tax losses in overseas subsidiaries of RMB537,119,000 and RMB369,107,000 in aggregate as at December 31, 2023 and 2022, respectively, that will be carried forward indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in the foreseeable future will be available against which the tax losses can be utilised.

7. DIVIDENDS

No dividend was paid or declared by the Company during the years ended December 31, 2023 and 2022.

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 year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 615,438,058 shares (2022: 617,822,464) in issue during the year.

No adjustment has been made to the basic loss per share amounts presented for the year ended December 31, 2023 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:

	2023	2022
	RMB'000	*RMB'000*
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**(581,183)**	(601,488)

	Number of shares	
	2023	2022
Shares		
Weighted average number of ordinary shares in issue* during the year used in the basic and diluted loss per share calculation	**615,438,058**	617,822,464

* After considering treasury shares.

9. TRADE RECEIVABLES

	2023	2022
	RMB'000	*RMB'000*
Trade receivables	**9,706**	29,812
Impairment	**(22)**	(45)
Net carrying amount	**9,684**	29,767

The Group's trading terms with its customers are mainly on credit. The credit period is generally two to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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:

	2023	2022
	RMB'000	*RMB'000*
Within 6 months	**9,625**	29,767
6 to 12 months	**59**	–
Total	**9,684**	29,767

The movements in the loss allowance for impairment of trade receivables are as follows:

	2023	2022
	RMB'000	*RMB'000*
At beginning of year	**45**	2
Impairment losses, net	**(23)**	43
At end of year	**22**	45

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at December 31, 2023

	Current
Expected credit loss rate	**0.23%**
Gross carrying amount (RMB'000)	**9,706**
Expected credit losses (RMB'000)	**22**

As at December 31, 2022

	Current
Expected credit loss rate	0.15%
Gross carrying amount (RMB'000)	29,812
Expected credit losses (RMB'000)	45

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:

	2023	2022
	RMB'000	*RMB'000*
Within 3 months	**3,857**	7,822

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

11. OTHER PAYABLES AND ACCRUALS

	2023	2022
	RMB'000	*RMB'000*
Amounts due to related parties	**38**	40
Deferred income*	**24,326**	25,665
Payroll payable	**31,636**	47,680
Other tax payables	**13,146**	12,650
Payables for purchase of property, plant and equipment	**1,943**	3,267
Other payables**	**108,677**	137,914
Payables for milestone payments related to commercialisation***	**–**	135,845
Total	**179,766**	363,061

* During the year ended December 31, 2023, deferred income of RMB24,326,000 (2022: RMB25,665,000) represents 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, 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.

12. INTEREST-BEARING BANK BORROWINGS

	2023			2022		
	Effective interest rate	**Maturity**	***RMB'000***	Effective interest rate	Maturity	*RMB'000*
Non-current						
Bank loans						
– secured (a)	**4.35%**	**2027**	**180,000**	4.35%	2027	30,000

	2023	2022
	RMB'000	*RMB'000*
Analysed into:		
Bank loans repayable:		
Within one year or on demand	**–**	–
In the second year	**–**	–
In the third to fifth years, inclusive	**180,000**	30,000

Notes:

(a) As at December 31, 2023, this bank loan was pledged by the Group's leasehold land with a carrying amount of RMB43,434,000 (2022: RMB44,335,000) and guaranteed by the Company and one certain subsidiary of the Group.

13. OTHER NON-CURRENT LIABILITIES

	2023	2022
	RMB'000	*RMB'000*
Other non-current liabilities	**86,560**	–

Notes:

Other non-current liabilities include advances received from the commercialisation partnership.

In August 2023, the Group entered into a collaboration agreement with Jiangsu Hansoh Pharmaceutical Group Co., Ltd., a wholly-owned subsidiary of Hansoh Pharmaceutical Group Company Limited ("**Hansoh Pharma**").

According to the terms of the agreement, Hansoh Pharma was appointed as an exclusive collaborator responsible for the commercialisation of Selinexor in Chinese Mainland, while Antengene continued to be responsible for research and development, regulatory approvals and affairs, product supply, and distribution of Selinexor and was entitled to receive an upfront fee for such exclusive collaboration.

During the year ended 31 December 2023, the Group received the upfront fee of RMB94,430,000 (exclusive of value-added tax of RMB5,570,000), of which RMB1,575,000 was recognised as a reversal of selling expenses, RMB6,295,000 was recognised as other payables and accruals, and RMB86,560,000 was recognised as other non-current liabilities.

FINANCIAL REVIEW

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
REVENUE	**67,305**	160,135
Cost of sales	**(12,293)**	(28,131)
Gross profit	**55,012**	132,004
Other income and gains	**115,786**	293,904
Research and development costs	**(405,669)**	(488,491)
Selling and distribution expenses	**(192,739)**	(355,391)
Administrative expenses	**(148,056)**	(167,055)
Other expenses	**(4,619)**	(15,485)
Finance costs	**(898)**	(974)
LOSS BEFORE TAX	**(581,183)**	(601,488)
Income tax expense	**–**	–
LOSS FOR THE YEAR	**(581,183)**	(601,488)
Non-IFRS measures:		
Adjusted loss for the year	**(533,904)**	(550,184)

Revenue. Our revenue decreased by RMB92.8 million from RMB160.1 million for the year ended December 31, 2022 to RMB67.3 million for the year ended December 31, 2023. This decrease was mainly due to the decline in revenue from Chinese Mainland, which was primarily attributable to the combined impact of (i) the voluntary price cut of XPOVIO® (selinexor) in August 2023, aimed at improving the drug's accessibility and affordability for out-of-pocket patients, which directly led to decreased revenue; (ii) the inclusion of XPOVIO® (selinexor) in the NRDL in December 2023, effective January 1, 2024, which led to a one-time negative adjustment in revenue for distributor channel inventory compensation; and (iii) the commercialization partnership we entered into with Hansoh Pharma for XPOVIO® (selinexor) in August 2023, signifying a shift in our business model that initially resulted in a temporary sales decline as there was a transition period involved before a ramp up in sales. Despite the challenges we faced in 2023, we are optimistic about the future. We believe that the NRDL inclusion, our collaboration with Hansoh Pharma, and continuous indication expansion potential of XPOVIO® (selinexor) will enable us to increase revenue in the coming years.

Other Income and Gains. Our other income and gains decreased by RMB178.1 million from RMB293.9 million for the year ended December 31, 2022 to RMB115.8 million for the year ended December 31, 2023, primarily attributable to the net foreign exchange gain of RMB46.6 million recorded for the year ended December 31, 2023 due to the rise in the exchange rate of USD against RMB, but not as favourable as that of for the year ended December 31, 2022 which recorded RMB255.3 million.

Research and Development Costs. Our research and development costs decreased by RMB82.8 million from RMB488.5 million for the year ended December 31, 2022 to RMB405.7 million for the year ended December 31, 2023. This decrease was primarily attributable to the combined impact of (i) a decrease of RMB123.9 million in our drug development expenses paid to contract research organisations ("**CRO(s)**"), contract development and manufacturing organisations ("**CDMO(s)**") and site management organisations ("**SMOs**"), as a result of the cost efficiency strategy, focusing resources on assets with the greatest potential while minimizing costs; and (ii) an increase of RMB29.0 million in licensing fees as we made payments of RMB42.2 million for the year ended December 31, 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, compared to the RMB13.2 million licensing fees paid for the year ended December 31, 2022.

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Employee costs	**151,674**	142,137
– Equity-settled share-based payment expense	***31,108***	*27,133*
Depreciation and amortization	**13,120**	10,144
Licensing fees	**42,188**	13,213
Drug development expenses	**183,269**	307,132
Professional fees	**6,934**	9,612
Others	**8,484**	6,253
Total	**405,669**	488,491

Selling and Distribution Expenses. Our selling and distribution expenses decreased by RMB162.7 million from RMB355.4 million for the year ended December 31, 2022 to RMB192.7 million for the year ended December 31, 2023, primarily attributable to the combined impact of (i) a smaller milestone payment of RMB79.1 million triggered by non-recurring events related to the APAC commercialization of XPOVIO® (selinexor); (ii) a decrease of RMB63.2 million in market development expenses, mainly due to the commercialization partnership with Hansoh Pharma, which enabled us to leverage their well-established commercialization infrastructure to improve the efficiency, as well as our own cost control efforts; and (iii) a slight decrease of RMB11.4 million in employee costs, mainly due to the commercialization partnership with Hansoh Pharma aiming to use their market development expertise. The optimization of sales force costed extra compensation expenses in 2023, which are expected to decline significantly in 2024.

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

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Milestone payments related to APAC commercialization	**57,432**	136,564
Subtotal	**57,432**	136,564
Employee costs	**77,536**	88,927
– Equity-settled share-based payment expense	***2,168***	*3,235*
Market development expenses	**37,597**	100,842
Depreciation and amortization	**1,869**	2,697
Others	**18,305**	26,361
Subtotal	**135,307**	218,827
Total	**192,739**	355,391

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

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Greater China	**101,737**	186,975
Other countries/regions	**91,002**	168,416
Total	**192,739**	355,391

Administrative Expenses. Our administrative expenses decreased by RMB19.0 million from RMB167.1 million for the year ended December 31, 2022 to RMB148.1 million for the year ended December 31, 2023. This decrease was primarily attributable to the decreased employee costs and professional fees, as a reflection of our ongoing cost control efforts and the improved operation efficiency.

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Employee costs	**83,284**	93,294
– Equity-settled share-based payment expense	***14,003***	*20,936*
Professional fees	**29,424**	36,422
Depreciation and amortization	**14,985**	14,359
Others	**20,363**	22,980
Total	**148,056**	167,055

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 year 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 year represents the loss for the year excluding the effect of equity-settled share-based payment expense. The term adjusted loss for the year 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 years indicated:

	Year ended December 31,	
	2023	2022
	RMB'000	*RMB'000*
Loss for the year	**(581,183)**	(601,488)
Added:		
Equity-settled share-based payment expense	**47,279**	51,304
Adjusted loss for the year	**(533,904)**	(550,184)

Employees and Remuneration Policies

The following table sets forth a breakdown of our employees as at December 31, 2023 by function:

Function	Number of employees	% of total number of employees
G&A	53	26.4
Research and Development	103	51.2
Commercialization	23	11.4
Manufacturing	22	11.0
Total	201	100.0

As at December 31, 2023, we had 166 employees in China and 35 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 at December 31, 2023, our cash and bank balances were RMB1,187.7 million, as compared to RMB1,789.6 million as at December 31, 2022. The decrease was mainly due to expenses associated with our operating activities. Especially, for the year ended December 31, 2023, we received an upfront payment of RMB100.0 million (inclusive of value-added-tax RMB5.6 million) from Hansoh Pharma, and settled the outstanding payables of RMB135.8 million related to the APAC commercialization as at December 31, 2022.

As at December 31, 2023, the Group's cash and bank balances were held mainly in USD and RMB.

As at December 31, 2023, the current assets of the Group were RMB1,241.8 million, including cash and bank balances of RMB1,187.7 million and other current assets of RMB54.1 million. As at December 31, 2023, the current liabilities of the Group were RMB190.9 million, including other payables and accruals of RMB179.8 million and other current liabilities of RMB11.1 million.

Current Ratio

Current ratio is calculated using current assets divided by current liabilities and multiplied by 100%. As at December 31, 2023, our current ratio was 650.6% (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 December 31, 2023, our gearing ratio was 29.1% (as at December 31, 2022: 20.0%).

Other Financial Information

Significant Investments, Material Acquisitions and Disposals

As at December 31, 2023, we did not hold any significant investments. For the year ended December 31, 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 December 31, 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 December 31, 2023, we did not have any material contingent liabilities.

Pledge of assets

As at December 31, 2023, the Group had a total of RMB43.4 million of the leasehold land pledged to secure its bank facilities.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the 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 enhancing 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 C1 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.

Further, the decisions to be made by the Board require approval by at least a majority of the Directors. The Board comprises 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 the Shareholders as a whole 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 when it is deemed 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 ended 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 Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 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 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 Date and up to December 31, 2023, the Company had utilized the Net Proceeds of approximately RMB1,672.60 million in accordance with the plan disclosed in the Prospectus (the "**Prospectus**") of the Company.

Change in Use of Proceeds

As at December 31, 2023, the total unutilized Net Proceeds amounted to approximately RMB602.10 million (the "**Unutilized Net Proceeds**"). Having considered the reasons set out in "Reasons for Change in Use of Proceeds" below, the Board has resolved to change the use of the Unutilized Net Proceeds to optimize the deployment of financial resources under changing market conditions, which is in line with the Group's overall and long-term business strategy. The actual usage of the Net Proceeds up to December 31, 2023, and the proposed changes in the use of the Unutilized Net Proceeds are summarized in the table below.

Function	Original % of use of the Net Proceeds (Approximately)	Original allocation of the Net Proceeds *RMB million*	Unutilized net proceeds as at December 31, 2022 *RMB million*	Actual usage of the Net Proceeds during the Reporting Period *RMB million*	Unutilized Net Proceeds as at December 31, 2023 *RMB million*	Revised allocation of the Unutilized Net Proceeds as at December 31, 2023 *RMB million*	% of the Unutilized Net Proceeds after revised allocation	Expected timeline for full utilization of the Unutilized 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	23.15	463.42	12.04	2%	By December 31, 2025
Fund ongoing pre-clinical studies and planned clinical trials for other pre-clinical drug candidates in our pipeline	9%	204.72	–	–	–	553.93	92%	By December 31, 2025
For expansion of our pipeline, including discovery of new drug candidates and business development activities	14%	318.46	236.91	98.23	138.68	36.13	6%	By December 31, 2025
For capital expenditure	1%	22.75	–	–	–	–	–	N/A
For general corporate purposes	10%	227.47	–	–	–	–	–	N/A
Total	**100%**	**2,274.70**	**926.91**	**324.81**	**602.10**	**602.10**	**100%**	

Note: 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.

Reasons for Change in Use of Proceeds

The main reasons for the proposed changes of the use of the Unutilized Net Proceeds are as follows:

(a) as set out in the Prospectus, approximately 25% of the Net Proceeds is intended to be used for funding ongoing and planned clinical trials and milestone payments of four other clinical-stage drug candidates in our pipeline (i.e. ATG-016 (eltanexor), ATG-527 (verdinexor), ATG-019 and ATG-017). Based on our ongoing assessment of the data and circumstance, as well as consideration of global development progresses of our business partner and recognition of the greater potential in other pipeline products, the Company intends to reduce this portion of the Unutilized Net Proceeds and devote resources to assets with the greatest potential and global rights in line with its cost-efficiency strategy;

(b) as set out in the Prospectus, approximately 9% of the Net Proceeds is intended to be allocated to ongoing pre-clinical studies and planned clinical trials for other pre-clinical drug candidates in our pipeline. The Company has resolved to reallocate more proceeds to prioritize R&D activities within the rapidly expanding product pipeline, including but not limited to ATG-101 (PD-L1/4-1BB bispecific antibody), ATG-018 (ATR inhibitor), ATG-022 (Claudin 18.2 antibody-drug conjugate) and ATG-031 (CD24 antibody). The above candidates were defined as pre-clinical assets in the Prospectus and have now been progressed into clinical stages. In the meantime, we intend to deploy resources to support the rapidly growing R&D activities such as ATG-037 (CD73 inhibitor) and other selective pre-clinical drug candidates to maximize the potential of our pipeline assets which are synergistic to each other. The Company has prioritized and will continue to prioritize the above assets with global rights. The development progress can be referred to "Management's Discussion and Analysis – Business Review" in this announcement; and

(c) as set out in the Prospectus, approximately 14% of the Net Proceeds is intended to be used for expansion of our pipeline, including discovery of new drug candidates and business development activities. The Company has resolved to reduce the said portion by leveraging enhanced in-house R&D capabilities and reallocate resources to support and accelerate R&D activities of the existing pipeline assets with great potential.

As such, the Group intends to reallocate the Unutilized Net Proceeds of approximately RMB553.93 million to "Fund ongoing pre-clinical studies and planned clinical trials for other pre-clinical drug candidates in our pipeline".

The Board confirms that there is no material change in the business of the Company as set out in the Prospectus. The Board considers that the above changes in the use of the Unutilized Net Proceeds are in line with the Group's business strategy and are not anticipated to raise any significant adverse impact on the current business and operations of the Group. These changes are believed to be beneficial to the continuing development of the Group's business, and would allow the Company to deploy its financial resources more efficiently, and are therefore in the best interests of the Company and its shareholders as a whole. The Board will constantly evaluate the Group's business objective and may modify plans in response to the changing market conditions to ascertain the business growth of the Group.

Audit Committee

The Audit Committee comprises three members (who are all independent non-executive Directors), being Mr. Sheng Tang (chairman), Dr. Rafael Fonseca 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 annual financial results for the year ended December 31, 2023 are in compliance with the relevant accounting standards, rules and regulations, and appropriate disclosures have been duly made.

Scope of work of Ernst & Young

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2023 as set out on this announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

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 December 31, 2023.

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 issued share capital 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.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended December 31, 2023 (2022: Nil).

ANNUAL GENERAL MEETING

The annual general meeting is scheduled to be held on June 14, 2024 (the "**AGM**"). A notice convening the AGM will be published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.antengene.com**) and dispatched to the Shareholders in the manner required by the Listing Rules in due course.

CLOSURE OF THE REGISTER OF MEMBERS

In order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, June 11, 2024 to Friday, June 14, 2024, both days inclusive, during which period no share transfers will be registered. To be eligible to attend and vote at the AGM, unregistered holders of shares must lodge all properly completed transfer forms accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, June 7, 2024.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange and the Company.

The annual report for the year ended December 31, 2023 containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company in April 2024.

PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board announces that it proposed to amend the Memorandum and Articles of Association and to adopt the amended and restated Memorandum and Articles of Association incorporating the amendments (the "**Proposed Amendments**") for the purpose of, among others, (i) bringing the Memorandum and Articles of Association in line with the relevant amendments made to the Listing Rules in respect of the electronic dissemination of corporate communications by listed issuers (effective from December 31, 2023); and (ii) make other consequential and housekeeping amendments.

The Proposed Amendments and the adoption of the amended and restated Memorandum and Articles of Association are subject to the Shareholders' approval by way of a special resolution at the AGM. A circular containing, among other things, particulars relating to the Proposed Amendments and the adoption of the amended and restated Memorandum and Articles of Association together with a notice convening the AGM will be despatched to the 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, March 22, 2024

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.