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## **CARsgen Therapeutics Holdings Limited**

**科濟藥業控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2171)**

### **PROFIT WARNING**

This announcement is made by CARsgen Therapeutics Holdings Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**” or “**CARsgen**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited condensed consolidated results of the Group for the six months ended June 30, 2022, it is expected that the Group will experience a decrease of net loss and an increase of adjusted net loss on year-on-year basis. Details are described below:

- (a) net loss of approximately RMB356 million to RMB393 million, as compared to approximately RMB4,394 million for the six months ended June 30, 2021, representing a decrease of approximately 92% to 91%; and
- (b) adjusted net loss, which represents the net loss excluding the Adjusted Items as defined below, which is a non-IFRSs measure, of approximately RMB334 million to RMB370 million, as compared to approximately RMB210 million for the six months ended June 30, 2021, representing an increase of approximately 59% to 76%.

As there was no fair value loss in financial instruments issued to investors (the “**Fair Value Loss**”) (2021: RMB4,156 million) or listing fees (the “**Listing Fees**”) (2021: RMB27 million), which made up a big piece of net loss for the six months ended June 30, 2021, incurred in the six months ended June 30, 2022, the net loss for the six months ended June 30, 2022 recorded a significant year-on-year decrease, even though the share-based compensation (together with the Fair Value Loss and the Listing Fees, collectively the “**Adjusted Items**”) and adjusted net loss recording a year-on-year increase.

The increase in adjusted net loss for the six months ended June 30, 2022 was primarily due to increased head count, staff cost and expenses for testing and productions in support of our clinical trials. The Board wishes to highlight that “adjusted net loss” is not defined under the International Financial Reporting Standards (“**IFRSs**”). It is defined by the Group as the net loss excluding the Adjusted Items.

The management of the Company would like to emphasize that the potential impacts of the Adjusted Items should be eliminated when assessing the operating results of the Group for the six months ended June 30, 2022 as the Adjusted Items are unusual, non-recurring, non-cash and/or non-operating in nature and are not indicative of the actual operating performance of the Group. The use of the non-IFRSs measures has limitations as an analytical tool, and Shareholders and potential investors of the Company should not consider it in isolation from, or as a substitute for or superior to analysis of, our results of operations or financial condition as reported under IFRSs. In addition, the non-IFRSs measures may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

As of the date of this announcement, the Company is still in the process of finalizing the condensed consolidated interim results of the Group for the six months ended June 30, 2022. The information contained in this announcement is based on the preliminary review of the unaudited condensed consolidated results of the Group, and is not based on any figure or information which has been audited or reviewed by the independent auditors of the Company or the audit committee of the Board. The actual results of the Group for the six months ended June 30, 2022 may differ from the information contained in this announcement. Such information shall not be taken as a measure or indication of the Group's current or future operating or financial performance nor shall they be taken as a representation by the Group of the corresponding figures as may be provided in due course in the Group's audited or unaudited consolidated financial statements. As such, the above statistics are provided for Shareholders and potential investors' reference only.

Shareholders and potential investors are advised to read carefully the announcement of the interim results of the Group for the six months ended June 30, 2022, which is expected to be released in August 2022.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**CARsgen Therapeutics Holdings Limited**  
**Dr. Li Zonghai**  
*Chairman*

Hong Kong, July 22, 2022

*As at the date of this announcement, the board of directors of the Company comprises Dr. Li Zonghai and Dr. Wang Huamao as executive Directors; Mr. Guo Bingsen, Mr. Guo Huaqing and Mr. Xie Ronggang as non-executive Directors; Dr. Fan Chunhai, Dr. Yan Guangmei and Mr. So Tak Young as the independent non-executive Directors.*