



李氏大藥廠

Lee's Pharmaceutical Holdings Limited
李氏大藥廠控股有限公司*

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號:950)

FIRST 第一季度業績報告
QUARTERLY REPORT 2022

* For identification purpose only
僅供識別

QUARTERLY FINANCIAL STATEMENTS

The directors (the “**Directors**”) of Lee’s Pharmaceutical Holdings Limited (the “**Company**”) present herewith the unaudited consolidated quarterly financial results (the “**Quarterly Results**”) of the Company and its subsidiaries (collectively, the “**Group**”) for the three months ended 31 March 2022, together with the comparative figures for the corresponding period in 2021. The Quarterly Results are unaudited, but have been reviewed by the Company’s auditor, HLM CPA Limited (the “**Auditor**”) in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The audit committee of the Company has also reviewed with the management and the Auditor this unaudited Quarterly Results for the three months ended 31 March 2022 before recommending it to the board of Directors (“**Board**”) for approval.

季度財務報表

李氏大藥廠控股有限公司(「**本公司**」)董事(「**董事**」)謹此呈報本公司及其附屬公司(統稱「**本集團**」)截至二零二二年三月三十一日止三個月的未經審核綜合季度財務業績(「**季度業績**」)連同二零二一年同期的比較數字。季度業績未經審核，惟獲本公司核數師恒健會計師行有限公司(「**核數師**」)按照香港會計師公會頒佈的《香港審閱工作準則》第2410號「實體的獨立核數師對中期財務資料的審閱」進行審閱。本公司審核委員會亦已與管理層及核數師審閱本截至二零二二年三月三十一日止三個月的未經審核季度業績，以供推薦予董事會審批。

BUSINESS REVIEW

Revenue and Profit

COVID-19 and its economic consequences continue to affect the market environment as 2022 begins. First-quarter 2022 revenue of the Group totaled HK\$324,750,000 (First-quarter 2021: HK\$283,142,000), an increase of 14.7% compared to the prior-year quarter. First-quarter 2022 growths was primarily driven by the sales contributed from chronic disease medications such as the newly launched Bredinin™, as well as Carnitene® and Treprostinil Injection which grew by 18.0% and 70.4%, respectively, and offset lower sales of out-patient drugs such as Ferplex® and surgical drugs such as Livaracine® and Slounase®.

Sales of licensed-in products in the first-quarter 2022 accounted for 61.8% (First-quarter 2021: 55.6%) of the Group's revenue while sales of proprietary and generic products in the first-quarter 2022 contributed 38.2% (First-quarter 2021: 44.4%) of the Group's revenue.

First-quarter 2022 gross profit of the Group was HK\$215,826,000 (First-quarter 2021: HK\$192,411,000). The Group's overall gross profit margin was 66.5%, decreased by 1.5 percentage points as to 68.0% achieved in the first-quarter 2021 due to increase in proportion of revenue generated from the sales of licensed-in products.

業務回顧

收益及溢利

二零二二年伊始，COVID-19 及其帶來的經濟後果繼續影響市場環境。二零二二年第一季度，本集團的收益合共為 324,750,000 港元（二零二一年第一季度：283,142,000 港元），較去年同期增加 14.7%。二零二二年第一季度錄得增長，主要受到新推出的《布累迪寧》™ 以及《可益能》® 及曲前列尼爾注射液等長期病患藥物貢獻的銷售額（分別上升 18.0% 及 70.4%）帶動，抵銷了《菲普利》® 等門診藥物以及《立邁青》® 及《速樂涓》® 等外科藥物的銷售額跌幅。

引進產品於二零二二年第一季度的銷售額佔本集團收益 61.8%（二零二一年第一季度：55.6%），而專利產品及仿製產品於二零二二年第一季度的銷售額則佔本集團收益 38.2%（二零二一年第一季度：44.4%）。

二零二二年第一季度，本集團的毛利為 215,826,000 港元（二零二一年第一季度：192,411,000 港元）。本集團的整體毛利率為 66.5%，較於二零二一年第一季度錄得的 68.0% 下跌 1.5 個百分點，是由於銷售引進產品產生的收益佔比上升所致。

Research and development (“**R&D**”) expenses represented new drugs development in major therapeutic areas such as cardiovascular, woman health, paediatrics, rare diseases, dermatology and obstetrics, as well as in oncology under a separate R&D arm within the Group. An aggregate of HK\$103,801,000 (First-quarter 2021: HK\$76,530,000) has been spent in the first-quarter 2022, represented 32.0% (First-quarter 2021: 27.0%) to the corresponding quarterly revenue. Among which HK\$61,634,000 (First-quarter 2021: HK\$47,865,000) has been recognised as expenses and HK\$42,167,000 (First-quarter 2021: HK\$28,665,000) has been capitalised as intangible assets. Several clinical trials were embarking to the latter development stage which expediting the finalisation of accounts of completed works contracts and led to an increase in R&D spending in the first-quarter 2022. Nevertheless, it remains the objective of the Group to optimise the resources allocation among prioritised R&D projects and to keep the expenditures within the limits of revenues in the fiscal year ending December 2022.

The Group’s selling and distribution expenses was HK\$81,966,000, representing an increase of HK\$9,397,000 or 12.9% compared to HK\$72,569,000 in the same quarter last year. Overall, the selling expenses to revenue ratio during the first-quarter 2022 was 25.2%, slightly decreased by 0.4 percentage point as to 25.6% same quarter last year. Adequate resources have been deployed to support the works for strengthening the distribution channels, preparing for the roll-out of new and upcoming products, as well as transforming the brand of selected products of the Group. In March 2022, the Group has launched its own flagship online stores on e-commerce platform of Alibaba.com and JD.com to strengthen its brand awareness and expand its sales channels.

研究及開發(「**研發**」)費用來自心血管、女性健康、兒科、罕見病、皮膚科及產科等各個主要治療領域的新藥開發，以及本集團內的獨立腫瘤科研發分支。本集團於二零二二年第一季度耗資合計103,801,000港元(二零二一年第一季度：76,530,000港元)，相當於相應季度收益32.0%(二零二一年第一季度：27.0%)，當中61,634,000港元(二零二一年第一季度：47,865,000港元)已確認為費用，而42,167,000港元(二零二一年第一季度：28,665,000港元)已資本化作為無形資產。多項臨床試驗已進入較後期開發階段，以致加快已完成工作合約賬目結算，令二零二二年第一季度研發支出增加。然而，於截至二零二二年十二月止財政年度，本集團的目標仍為優化各優先研發項目的資源分配，量入為出。

本集團的銷售及分銷費用為81,966,000港元，較去年同季的72,569,000港元增加9,397,000港元或12.9%。整體而言，二零二二年第一季度銷售費用對收益的比率為25.2%，較去年同季的25.6%輕微下跌0.4個百分點。本集團已調撥充足資源支援各項工作，包括強化分銷渠道，為新產品及即將面世的產品上市作準備，以及就本集團的選定產品進行品牌轉型。於二零二二年三月，本集團已於阿里巴巴及京東商城電子商貿平台推出自家旗艦網店，以加強品牌認知及拓展銷售渠道。

As a result of higher expenses incurred in the abovementioned areas, net profit attributable to the owners of the Company in the first-quarter 2022 was HK\$20,307,000, decreased by 50.5% over the same quarter in 2021.

Manufacturing Facilities and Production Capability

Over the years, there have been considerable changes and upgrades in the Group's manufacturing and production capability. To date, the Group's Hefei site has completed the production capacity expansion and process scale up facility upgrades of Yallaferon[®], same line production facility upgrades for new pre-filled syringe injection products before introduction to the market, and the making of registration batch of new product in the form of oral lyophilised powder used as sensitiser in surgery for tumor. In Nansha site, the process scale up equipment installation and commission for the manufacturing of inhaled pharmaceutical aerosols has been completed and will have the process scale up pilot run soon, the production process upgrades for oral dose antihypertension drug is in progress, and the making of three pivotal registration batches of the oral cytotoxic drugs in the special workshop has been completed.

鑑於上述範疇產生的費用較高，二零二二年第一季度的本公司擁有人應佔純利為20,307,000港元，較二零二一年同季減少50.5%。

製造設施及生產能力

多年來，本集團對其製造及生產能力作出多次大規模變動及升級。至今，本集團合肥廠址已完成《尤靖安》[®]產能提升及工藝放大設施升級，預充式注射液新產品上市前共線設施升級改造，以及用作腫瘤手術顯影劑的口服凍乾粉新劑型產品註冊批次生產。南沙廠址生產氣溶膠吸入劑的工藝放大設備已完成安裝與調試，將於短時間內進行工藝放大試運行，用作口服降壓藥產品的生產工藝升級工作進行中，而口服細胞毒性藥物已在專用車間完成三批關鍵註冊批次生產。

Drug Development

To date, the Group has over 40 projects in its pipeline from early- to late-stage development. The applications made in the prior year for Import Drug License (“**IDL**”), such as Teglutik[®], and for Abbreviated New Drug Application (“**ANDA**”), namely Azilsartan, Epinastine Hydrochloride tablet, and Apremilast tablet (阿普米司特片), are under review by the Centre for Drug Evaluation (the “**CDE**”). The New Drug Application (“**NDA**”) for Adasuve[®] made in the prior year has been officially accepted by the China’s National Medical Products Administration (“**NMPA**”).

Major Therapeutic Areas

The Group is currently developing several assets in major therapeutic areas, such as cardiovascular, woman health, paediatrics, rare diseases, dermatology and obstetrics, which includes late-stage programs such as (1) Cetraxal[®] Plus for acute otitis externa (AOE) and acute otitis media with tympanostomy tubes (AOMT); and (2) Intrarosa[®] in the treatment of vulvovaginal atrophy (VVA), both of which are already in Phase III clinical trial stage.

藥物開發

截至目前為止，本集團管道中有超過40個分別處於早期至後期開發階段的項目。於過往年度提交的進口藥品註冊證申請(即Teglutik[®])及簡化新藥上市申請(「**簡化新藥申請**」)(即阿齊沙坦、鹽酸依匹斯汀片及阿普米司特片)正由藥品審評中心(「**藥審中心**」)評審。過往年度的Adasuve[®]新藥上市申請(「**新藥申請**」)已獲中國國家藥品監督管理局(「**國家藥監局**」)正式受理。

主要治療領域

本集團現正開發主要治療領域的各種資產，包括心血管、女性健康、兒科、罕見病、皮膚科及產科，包括處於後期開發階段的計劃，例如(1) Cetraxal[®] Plus，治療急性外耳道炎及伴有鼓膜置管的急性中耳炎；及(2) Intrarosa[®]，用於治療外陰陰道萎縮，兩項均處於第III期臨床試驗階段。

Oncology Pipeline

China Oncology Focus Limited (“COF”), a 65% owned subsidiary of the Group, is a clinical development stage company and the Group’s R&D arm focused on oncology with emphasis in immuno-oncology. To date, COF has built a pipeline of 10 oncology assets, including 6 innovative and 4 generics, through internal development and in-licensing, and is currently developing several assets, including (1) Socazolimab (an anti-PD-L1 antibody) in recurrent or metastatic cervical cancer in new drug application stage in China; (2) Socazolimab in osteosarcoma in Phase III clinical trial; (3) Socazolimab combined with chemotherapy in small cell lung cancer in Phase III clinical trial and has completed the patient enrollment in May 2022; (4) Zotiraciclib, an oral multi-kinase inhibitor in Phase I clinical trial for glioblastoma; (5) Gimitecan, a topoisomerase I inhibitor in Phase II clinical trial for ovarian cancer and in Phase Ib/II clinical trial for small cell lung cancer and a Phase I clinical trial for pancreatic cancer in China; and (6) Socazolimab combined with Pexa-vec (oncolytic virus) which is in Phase Ib clinical trial for melanoma.

During the quarter under review and up to date, the Group obtained 4 ANDA and IDL approvals from NMPA.

Zingo®

On 1 March 2022, the Drug Registration Certificate for Zingo® (Lidocaine Hydrochloride Powder Intradermal Injection System) has been obtained from the NMPA. Zingo® is an amide local anesthetic indicated for use on intact skin to provide local analgesia prior to venipuncture or peripheral intravenous cannulation in children 3–18 years of age and to provide topical local analgesia prior to venipuncture in adults. The rapid onset of analgesia in 1–3 minutes provides care givers and patients the opportunity for a pain-free and needle-free access procedure.

腫瘤管道

由本集團擁有65%權益的附屬公司中國腫瘤醫療有限公司(「COF」)為本集團在腫瘤科方面的研發分支，並為臨床開發階段公司，專研免疫腫瘤療法領域。截至目前為止，COF已通過內部開發及從外引進的方式建立涵蓋10項腫瘤資產的管道，包括6項創新藥及4項仿製藥，現正開發多項資產，包括(1) Socazolimab(抗PD-L1抗體)，於中國處於復發性或轉移性宮頸癌新藥申請階段；(2) Socazolimab骨肉瘤第III期臨床試驗；(3) Socazolimab結合化療的小細胞肺癌第III期臨床試驗，並已於二零二二年五月完成患者入組；(4) Zotiraciclib，一種口服多激酶抑制劑，現正進行膠質母細胞瘤第I期臨床試驗；(5) 吉馬替康，一種拓撲異構酶I抑制劑，現正於中國進行卵巢癌第II期臨床試驗、小細胞肺癌第Ib/II期臨床試驗及胰臟癌第I期臨床試驗；及(6) Socazolimab結合Pexa-vec(溶瘤病毒)，現正進行黑色素瘤第Ib期臨床試驗。

於回顧季度內及截至目前為止，本集團已取得國家藥監局發出4項簡化新藥申請及進口藥品註冊證批准。

Zingo®

於二零二二年三月一日，Zingo®(鹽酸利多卡因粉末皮內注射給藥系統)取得國家藥監局的藥品註冊許可證。Zingo®為用於皮膚表層的醃胺局部麻醉劑，用於3至18歲兒童靜脈穿刺或周邊靜脈插管前局部鎮痛，以及成人靜脈穿刺前外用局部鎮痛。Zingo®注射後1–3分鐘即見鎮痛效果，為護理人員及患者提供無痛、無針的注射。

INOmax®

On 8 March 2022, the Drug Registration Certificate for INOmax® (nitric oxide gas for inhalation) has been obtained from the NMPA. INOmax® is a therapy for the treatment of hypoxic respiratory failure (“**HRF**”) associated with pulmonary hypertension (“**PPHN**”) in term and near-term infants greater than 34 weeks gestational age. PPHN is a serious condition in which blood vessels in the lungs constrict, making it difficult to oxygenate blood, often resulting in HRF. INOmax® is a vasodilator which selectively relaxes pulmonary blood vessels and, in conjunction with ventilatory support and other appropriate agents, improves oxygenation in this fragile newborn population.

High Concentration Treprostinil Injection

On 9 March 2022, the Drug Registration Certificate for High Concentration Treprostinil Injection (specification: 20ml: 50mg) developed and manufactured by Zhaoke Pharmaceutical (Hefei) Company Limited, a wholly-owned subsidiary of the Company, has been obtained from the NMPA.

Natulan®

On 21 April 2022, the Drug Registration Certificate for Natulan® (Procarbazine Hydrochloride Capsules) has been obtained from the NMPA. Natulan® has been approved for combining with chemotherapy to treat Hodgkin’s Lymphoma (HL) in adult.

INOmax®

於二零二二年三月八日，INOmax®(一氧化氮吸入性氣體)取得國家藥監局的藥品註冊許可證。INOmax®是一種用於治療患有低氧性呼吸衰竭伴隨肺動脈高壓的足月兒及34週以上早產兒的療法。肺動脈高壓是一種肺血管收縮導致血液難以供氧的嚴重疾病，經常導致低氧性呼吸衰竭。INOmax®是一種血管擴張劑，可選擇性地放鬆肺血管，並通過配合換氣裝置及其他適當藥物，改善脆弱新生兒群體的氧合。

高濃度曲前列尼爾注射液

於二零二二年三月九日，本公司全資附屬公司兆科藥業(合肥)有限公司開發及製造的高濃度曲前列尼爾注射液(規格：20毫升：50毫克)取得國家藥監局的藥品註冊許可證。

Natulan®

於二零二二年四月二十一日，Natulan®(鹽酸丙卡巴肼膠囊)取得國家藥監局的藥品註冊許可證。Natulan®獲認可用於結合化療醫治成人霍奇金淋巴瘤。

PROSPECT

As mentioned earlier this year, the Group remains of the view that the long-term prospect for the China pharmaceutical market is promising in terms of the growth of total health spending in the region but the tough business environment due to regulatory changes will be persisted in 2022. The recent outbreak of COVID-19 in Shanghai which resulted a month-long lockdown of nearly 25 million people has added to the uncertainties to the trade environment.

Nevertheless, the Group has implemented a series of measures to adapt to the “new normal” and to emphasis efficiency at every step of the value chain, particularly in key areas such as sales and R&D, after taking the present conditions into consideration, and the effect has begun to show.

On the other hand, more NDA approvals are expected in the year ending 2022, such as Teglutik® (Riluzole Oral Suspension) for the treatment of Amyotrophic Lateral Sclerosis (ALS) and Nadroparin Calcium Injection which are expected to be approved soon. The Group aims at advancing its product portfolio to create growth opportunities.

The Group firmly believes that all these works to be done will eventually drive growth therefor and will eventually create more value for the shareholders.

展望

誠如本年度較早前所述，本集團堅信，在區內醫療開支總額增長下，中國醫藥市場長遠前景仍然亮麗，惟二零二二年的營商環境仍會因監管環境轉變而荊棘滿途。近期，上海爆發COVID-19導致封城逾月，近25,000,000人受到影響，貿易環境再添不確定因素。

然而，於考慮到當前環境後，本集團已實施一連串措施適應「新常態」，價值鏈中的每一個環節（尤其是銷售及研發等關鍵流程）均強調效率，成效亦已開始展現。

另一方面，截至二零二二年止年度預期會取得更多新藥申請批准，例如Teglutik®（利魯唑口服混懸劑，治療肌萎縮側索硬化症）及那曲肝素鈣注射液預期於短期內獲批。本集團計劃優化產品組合，造就發展機遇。

本集團深信，上述各項工作將可成就增長，最終為股東創造更高價值。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2022

簡明綜合損益表

截至二零二二年三月三十一日止三個月

		For the three months ended 31 March		
		截至三月三十一日止三個月		
		2022	2021	
		二零二二年	二零二一年	
		HK\$'000	HK\$'000	
		千港元	千港元	
		(unaudited)	(unaudited)	
		(未經審核)	(未經審核)	
		Notes	附註	
Revenue	收益	3	324,750	283,142
Cost of sales	銷售成本		(108,924)	(90,731)
Gross profit	毛利		215,826	192,411
Other income	其他收入	4	24,621	31,581
Other gains and losses, net	其他收益及虧損淨額		119	2,349
Selling and distribution expenses	銷售及分銷費用		(81,966)	(72,569)
Administrative expenses	行政費用		(57,279)	(58,871)
(Provision for)/reversal of expected credit losses on financial assets	財務資產預期信貸虧損(撥備)/撥回		(4,184)	330
Research and development expenses	研究及開發費用		(61,634)	(47,865)
Profit from operations	經營溢利		35,503	47,366
Finance costs	財務成本		(1,737)	(1,271)
Share of results of associates	分佔聯營公司業績		(255)	(2,264)
Profit before taxation	除稅前溢利		33,511	43,831
Taxation	稅項	5	(12,846)	(7,475)
Profit for the period	本期間溢利		20,665	36,356
Attributable to:	下列人士應佔：			
Owners of the Company	本公司擁有人		20,307	41,048
Non-controlling interests	非控股權益		358	(4,692)
			20,665	36,356
			HK cents	HK cents
			港仙	港仙
Earnings per share:	每股盈利：			
Basic	基本	6	3.45	6.98
Diluted	攤薄	6	3.45	6.97

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2022

簡明綜合損益及其他全面收益表

截至二零二二年三月三十一日止三個月

		For the three months ended 31 March	
		截至三月三十一日止三個月	
		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Profit for the period	本期間溢利	20,665	36,356
Other comprehensive income/ (expense):	其他全面收益/(開支):		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目:		
- Exchange differences on translation of financial statements of overseas subsidiaries	- 換算海外附屬公司財務報表的匯兌差額	7,827	(7,062)
- Share of other comprehensive expense of associates	- 分佔聯營公司的其他全面開支	-	(54)
Item that will not be reclassified subsequently to profit or loss:	其後不會重新分類至損益的項目:		
- Fair value changes of financial assets at fair value through other comprehensive income	- 按公平值透過其他全面收益列賬的財務資產的公平值變動	(332,695)	(91,196)
Other comprehensive expense for the period, net of tax	本期間其他全面開支，已扣除稅項	(324,868)	(98,312)
Total comprehensive expense for the period	本期間全面開支總額	(304,203)	(61,956)
Total comprehensive expense for the period attributable to:	下列人士應佔本期間全面開支總額:		
Owners of the Company	本公司擁有人	(303,862)	(53,047)
Non-controlling interests	非控股權益	(341)	(8,909)
		(304,203)	(61,956)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the three months ended 31 March 2022

截至二零二二年三月三十一日止三個月

		Attributable to the owners of the Company 本公司擁有人應佔								Attributable to non-controlling interests		Total
		Share capital	Share premium	Merger difference	Share-based compensation reserve	Other reserves	Investments revaluation reserve	Exchange reserve	Retained profits	Sub-total		
		股本	股份溢價	合併差額	以股份支付的補償儲備	其他儲備	投資重估儲備	匯兌儲備	保留溢利	小計	非控股權益應佔	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2022 (audited)	於二零二二年一月一日 (經審核)	29,442	720,091	9,200	55,964	65,302	(1,948,815)	22,838	3,510,556	2,464,578	(73,416)	2,391,162
Employee share option benefits	僱員購股權福利	-	-	-	3,051	-	-	-	-	3,051	-	3,051
Profit for the period	本期間溢利	-	-	-	-	-	-	-	20,307	20,307	358	20,665
Other comprehensive income/(expense) for the period	本期間其他全面收益/(開支)	-	-	-	-	-	-	-	-	-	-	-
- Exchange differences on translation of financial statements of overseas subsidiaries	- 換算海外附屬公司財務報表的匯兌差額	-	-	-	-	-	-	7,791	-	7,791	36	7,827
- Fair value changes of financial assets at fair value through other comprehensive income	- 按公平值透過其他全面收益列賬的財務資產的公平值變動	-	-	-	-	-	(331,960)	-	-	(331,960)	(735)	(332,695)
Total comprehensive (expense)/income for the period	本期間全面(開支)/收益總額	-	-	-	-	-	(331,960)	7,791	20,307	(303,862)	(341)	(304,203)
At 31 March 2022 (unaudited)	於二零二二年三月三十一日 (未經審核)	29,442	720,091	9,200	59,015	65,302	(2,280,775)	30,629	3,530,863	2,163,767	(73,757)	2,090,010

Attributable to the owners of the Company
本公司擁有人應佔

		Attributable to the owners of the Company								Attributable to non-controlling interests		Total
		Share capital	Share premium	Merger difference	Share-based compensation reserve	Other reserves	Investments revaluation reserve	Exchange reserve	Retained profits	Sub-total		
		股本	股份溢價	合併差額	以股份支付的補償儲備	其他儲備	投資重估儲備	匯兌儲備	保留溢利	小計	非控股權益應佔	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2021 (audited)	於二零二一年一月一日 (經審核)	29,406	714,813	9,200	40,847	65,228	(254,155)	(14,843)	1,559,299	2,149,795	(34,417)	2,115,378
Employee share option benefits	僱員購股權福利	-	-	-	3,533	-	-	-	-	3,533	-	3,533
Share of reserve of an associate	分佔一間聯營公司儲備	-	-	-	-	14	-	-	-	14	-	14
Profit/(loss) for the period	本期間溢利/(虧損)	-	-	-	-	-	-	-	41,048	41,048	(4,692)	36,356
Other comprehensive expense for the period	本期間其他全面開支	-	-	-	-	-	-	-	-	-	-	-
- Exchange differences on translation of financial statements of overseas subsidiaries	- 換算海外附屬公司財務報表的匯兌差額	-	-	-	-	-	-	(7,006)	-	(7,006)	(56)	(7,062)
- Share of other comprehensive expense of associates	- 分佔聯營公司其他全面開支	-	-	-	-	(54)	-	-	-	(54)	-	(54)
- Fair value changes of financial assets at fair value through other comprehensive income	- 按公平值透過收益列賬的財務資產的公平值變動	-	-	-	-	-	(87,035)	-	-	(87,035)	(4,161)	(91,196)
Total comprehensive (expense)/income for the period	本期間全面(開支)/收益總額	-	-	-	-	(54)	(87,035)	(7,006)	41,048	(53,047)	(8,909)	(61,956)
At 31 March 2021 (unaudited)	於二零二一年三月三十一日 (未經審核)	29,406	714,813	9,200	44,380	65,188	(341,190)	(21,849)	1,600,347	2,100,295	(43,326)	2,056,969

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

未經審核簡明綜合財務報表附註

截至二零二二年三月三十一日止三個月

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standards (“HKASs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values as appropriate.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2021.

The accounting policies and methods of computation used in preparing the unaudited condensed consolidated financial statements for the three months ended 31 March 2022 are consistent with those used in the Group’s annual financial statements for the year ended 31 December 2021 except as described below.

1. 編製基準

未經審核簡明綜合財務報表乃按照香港會計師公會頒佈的香港會計準則及香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定編製。

2. 主要會計政策

未經審核簡明綜合財務報表乃按歷史成本基準編製，惟若干財務工具按公平值計量（視適當情況而定）除外。

未經審核簡明綜合財務報表不包括須於全年財務報表提供的所有資料及披露事項，並應與本集團截至二零二一年十二月三十一日止年度的全年財務報表一併閱讀。

編製截至二零二二年三月三十一日止三個月的未經審核簡明綜合財務報表所用的會計政策及計算方法與本集團截至二零二一年十二月三十一日止年度的全年財務報表所用者一致，惟下述者除外。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

In the current reporting period, the Group has applied the following amendments to HKFRS issued by the HKICPA for the first time which are mandatorily effective for the annual periods beginning on or after 1 January 2022 for the preparation of the Group's unaudited condensed consolidated financial statements. HKFRS comprise Hong Kong Financial Reporting Standards; HKASs; and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations.

Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020

The application of these amendments to HKFRS has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.

2. 主要會計政策(續)

於本報告期間內，本集團首次應用香港會計師公會所頒佈於二零二二年一月一日或之後開始的年度期間強制生效的下列香港財務報告準則的修訂編製本集團的未經審核簡明綜合財務報表。香港財務報告準則包括香港財務報告準則；香港會計準則；以及香港(國際財務報告詮釋委員會)詮釋、香港詮釋及香港(準則詮釋委員會)詮釋。

香港會計準則第16號的修訂	物業、廠房及設備—作擬定用途前的所得款項
香港會計準則第37號的修訂 香港財務報告準則第3號的修訂	虧損合約—履行合約的成本 對概念框架的提述
香港財務報告準則第16號的修訂	二零二一年六月三十日後的COVID-19相關租金優惠
香港財務報告準則的修訂	香港財務報告準則二零一八年至二零二零年的年度改進

應用該等香港財務報告準則的修訂對本未經審核簡明綜合財務報表所呈報的金額及／或所載列的披露事項並無重大影響。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

The Group has not early applied the following new and amendments to HKFRS that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments ¹	香港財務報告準則第17號	保險合約及相關修訂 ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹	香港會計準則第1號的修訂	流動或非流動負債的分類及香港詮釋第5號(二零二零年)的相關修訂 ¹
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ¹	香港會計準則第1號及香港財務報告準則實務聲明第2號的修訂	會計政策披露 ¹
Amendments to HKAS 8	Definition of Accounting Estimates ¹	香港會計準則第8號的修訂	會計估計定義 ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹	香港會計準則第12號的修訂	與一項單一交易產生的資產及負債有關的遞延稅項 ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²	香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ²

¹ Effective for annual periods beginning on or after 1 January 2023, earlier application is permitted

² Effective date to be determined

2. 主要會計政策(續)

本集團並無提早應用下列已頒布但尚未生效的新增香港財務報告準則及香港財務報告準則的修訂：

香港財務報告準則第17號	保險合約及相關修訂 ¹
香港會計準則第1號的修訂	流動或非流動負債的分類及香港詮釋第5號(二零二零年)的相關修訂 ¹
香港會計準則第1號及香港財務報告準則實務聲明第2號的修訂	會計政策披露 ¹
香港會計準則第8號的修訂	會計估計定義 ¹
香港會計準則第12號的修訂	與一項單一交易產生的資產及負債有關的遞延稅項 ¹
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ²

¹ 於二零二三年一月一日或之後開始的年度期間生效，可提早應用

² 生效日期待定

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

The Group has already commenced an assessment of the impact of these new and amendments to HKFRS but is not yet in a position to state whether these new and amendments to HKFRS would have a material impact on its results of operations and financial positions.

3. REVENUE

The principal activities of the Group are the developing, manufacturing and sales and marketing of pharmaceutical products. During the period, revenue represents the net amount received and receivable for goods sold by the Group to outside customers and are recognised at point in time as follows:

Business segments

		2022 二零二二年 HK\$'000 千港元 (unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (unaudited) (未經審核)
Proprietary and generic products	專利及仿製產品	124,020	125,612
Licensed-in products	引進產品	200,730	157,530
		324,750	283,142

2. 主要會計政策(續)

本集團已開始評估該等新增香港財務報告準則及香港財務報告準則的修訂的影響，但尚無法說明該等新增香港財務報告準則及香港財務報告準則的修訂會否對本集團的經營業績及財務狀況造成重大影響。

3. 收益

本集團的主要業務為開發、製造、銷售及推廣藥品。期內，收益指本集團向外部客戶出售貨品的已收及應收款項淨額，按時間點確認如下：

業務分部

For the three months ended 31 March

截至三月三十一日止三個月

2022 二零二二年 HK\$'000 千港元 (unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (unaudited) (未經審核)
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3. REVENUE (CONTINUED)

Geographical segments

During the three months ended 31 March 2022 and 2021, more than 90% of the Group's revenue was derived from activities conducted in the People's Republic of China (the "PRC"), no geographical segmental information is presented.

4. OTHER INCOME

3. 收益(續)

地區分部

於截至二零二二年及二零二一年三月三十一日止三個月，本集團逾90%收益源自於中華人民共和國(「中國」)進行的業務，故此並無呈列地區分部資料。

4. 其他收入

For the three months ended 31 March

截至三月三十一日止三個月

2022	2021
二零二二年	二零二一年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

Interest income on: Bank and pledged bank deposits	下列各項的利息收入： 銀行及已抵押銀行存款	650	837
Advance to associates	墊付予聯營公司的款項	—	751
Total interest income	利息收入總額	650	1,588
Development and government grants	開發及政府補助	14,436	4,781
Rental and utilities income	租金及公共服務收入	1,859	2,815
Research and development service income	研究及開發服務收入	6,330	21,671
Sundry income	雜項收入	1,346	726
		24,621	31,581

The Group received the development grants from local government as recognition of the Group's performance and development of high-technology pharmaceutical products.

本集團收到地方政府認可本集團表現及開發高新科技藥品而授予的開發補助。

5. TAXATION

5. 稅項

		For the three months ended 31 March	
		截至三月三十一日止三個月	
		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅	7,011	7,360
PRC Enterprise Income Tax	中國企業所得稅	1,735	912
		8,746	8,272
Deferred tax	遞延稅項		
Origination and reversal of temporary difference	產生及撥回暫時差額	4,100	(797)
		12,846	7,475

For a qualified entity, Hong Kong Profits Tax for the three months ended 31 March 2022 and 2021 is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million according to the two-tiered profits tax rates regime. Hong Kong Profits Tax is calculated at 16.5% for the three months ended 31 March 2022 and 2021 for all other entities.

Tax arising in the PRC is calculated at the tax rates prevailing in the PRC. Taxation arising in other jurisdictions is calculated at the tax rate prevailing in the relevant jurisdictions.

就合資格實體而言，按照利得稅兩級制，截至二零二二年及二零二一年三月三十一日止三個月的香港利得稅就首2百萬港元估計應課稅溢利按8.25%及就2百萬港元以上估計應課稅溢利按16.5%計算。就所有其他實體而言，截至二零二二年及二零二一年三月三十一日止三個月的香港利得稅按16.5%計算。

於中國產生的稅項按中國的現行稅率計算。於其他司法權區產生的稅項按有關司法權區的現行稅率計算。

6. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

6. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃基於下列數據計算：

		For the three months ended 31 March	
		截至三月三十一日止三個月	
		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Earnings:	盈利：		
Net profit attributable to the owners of the Company for the purpose of basic and diluted earnings per share	就計算每股基本及攤薄盈利而言的本公司擁有人應佔純利	20,307	41,048

6. EARNINGS PER SHARE (CONTINUED)

6. 每股盈利(續)

		For the three months ended 31 March	
		截至三月三十一日止三個月	
		2022	2021
		二零二二年	二零二一年
		Share(s) '000	Share(s) '000
		千股	千股
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purpose of basic earnings per share	就計算每股基本盈利而言的普通股加權平均數	588,835	588,125
Effect of dilutive potential ordinary shares:	潛在攤薄普通股的影響：		
Options	購股權	—	569
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就計算每股攤薄盈利而言的普通股加權平均數	588,835	588,694

7. RELATED PARTY TRANSACTIONS 7. 關聯方交易

During the reporting period, the Group entered into the following transactions with related parties. In the opinion of the directors of the Company, the following transactions arose in the ordinary course of the Group's business.

報告期內，本集團與關聯方進行以下交易。本公司董事認為，下列交易乃於本集團日常業務過程中產生。

(a) Transaction with associates

(a) 與聯營公司的交易

For the three months ended 31 March

截至三月三十一日止三個月

		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interest income	利息收入	-	751
Rental and utilities income	租金及公共服務收入	-	2,815
Research and development service income	研究及開發服務收入	-	21,671
Purchase of consumables	購買消耗品	-	1,045

7. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the reporting period was as follows:

7. 關聯方交易(續)

(b) 主要管理人員的補償

報告期內，本公司董事及其他主要管理層成員的薪酬如下：

		For the three months ended 31 March	
		截至三月三十一日止三個月	
		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Short-term employee benefits	短期僱員福利	4,264	3,287
Share-based payments	以股份支付的款項	2,099	1,892
Retirement and other post-employment benefits	退休及其他離職後福利	1,805	3,005
- Defined contribution plan	一定額供款計劃	5	5
- Retirement benefits	一退休福利	1,800	3,000
		8,168	8,184

7. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Donation to Lee's Pharmaceutical – Kanya Lee Scholarship Limited (“Kanya Lee Scholarship”)

During the three months ended 31 March 2022, total HK\$1,900,000 (three months ended 31 March 2021: HK\$500,000) was donated to Kanya Lee Scholarship. Dr. Li Xiaoyi, director of the Company, is also a member of key management of Kanya Lee Scholarship and Kanya Lee Scholarship is considered as a related party to the Group.

7. 關聯方交易(續)

(c) 向李氏大藥廠－李杜靜芳獎學金有限公司(「李杜靜芳獎學金」)作出捐獻

於截至二零二二年三月三十一日止三個月，向李杜靜芳獎學金捐獻合共1,900,000港元(截至二零二一年三月三十一日止三個月：500,000港元)。本公司董事李小平博士亦為李杜靜芳獎學金的主要管理層成員，而李杜靜芳獎學金被視為本集團的關聯方。

8. CAPITAL COMMITMENTS

8. 資本承擔

		31 March 2022 二零二二年 三月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Capital commitments contracted for in respect of:	已就下列各項訂約的資本承擔：		
Investment in financial assets at fair value through other comprehensive income	於按公平值透過其他全面收益列賬的財務資產的投資	36,730	39,119
Intangible assets – license fee and development cost	無形資產－專利費及開發成本	143,945	125,162
Property, plant and equipment	物業、廠房及設備	86,274	85,567
		266,949	249,848

DIVIDEND

The Board does not recommend payment of dividend for the three months ended 31 March 2022 (three months ended 31 March 2021: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2022.

By order of the Board
Lee's Pharmaceutical Holdings Limited
Lee Siu Fong
Chairman

Hong Kong, 26 May 2022

As at the date of this report, Ms. Lee Siu Fong (Chairman) and Ms. Leelalertsuphakun Wanee are executive Directors; Dr. Li Xiaoyi and Mr. James Charles Gale are non-executive Directors; Dr. Chan Yau Ching, Bob, Mr. Lam Yat Cheong and Dr. Tsim Wah Keung, Karl, are independent non-executive Directors.

股息

董事會不建議派付截至二零二二年三月三十一日止三個月的股息(截至二零二一年三月三十一日止三個月：無)。

購買、出售或贖回上市證券

於截至二零二二年三月三十一日止三個月，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

承董事會命
李氏大藥廠控股有限公司
主席
李小芳

香港，二零二二年五月二十六日

於本報告日期，執行董事為李小芳女士(主席)及李焯妮女士；非執行董事為李小羿博士及James Charles Gale先生；而獨立非執行董事為陳友正博士、林日昌先生及詹華強博士。

