Asymchem Laboratories (Tianjin) Co., Ltd.
凱萊英醫藥集團(天津)股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6821)

POSITIVE PROFIT ALERT

This announcement is made by Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) (the "**Company**", collectively with its subsidiaries, the "**Group**") pursuant to Rule 13.09 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 following financial figures were prepared according to the China Accounting Standards for Business Enterprises.

I. ESTIMATED INTERIM RESULTS OF 2022

1. Period for the estimated results: January 1, 2022 to June 30, 2022 (the "**Reporting Period**")

2. Estimated results:

   The board of directors of the Company (the "**Board**") wishes to inform shareholders and potential investors of the Company that, based on preliminary estimation of the unaudited management accounts of the Group for the Reporting Period by the finance department of the Company, and the information currently available to the Board:

	For the Reporting Period	**For the corresponding period in 2021**
Operating revenue	Approximately RMB4,790.88 million – RMB5,058.16 million, representing an increase by approximately 172.18% – 187.37%	Approximately RMB1,760.19 million
Net profit attributable to shareholders of the Company	Approximately RMB1,644.30 million – RMB1,742.95 million, representing an increase by approximately 282.99% – 305.97%	Approximately RMB429.33 million
Net profit attributable to shareholders of the Company after deducting the non-recurring profit or loss (the "**Adjusted Net Profit**")(1)	Approximately RMB1,619.01 million – RMB1,714.45 million, representing an increase by approximately 359.24% – 386.31%	Approximately RMB352.54 million
Basic earnings per share of the Company(2)	Approximately RMB6.81 per share – RMB7.22 per share	Approximately RMB1.78 per share

Notes:

(1) The Adjusted Net Profit is a non-IFRS financial measure calculated by net profit attributable to shareholders of the Company excluding the non-recurring profit or loss items, including government grants, profit or loss from investments on financial assets and associates, non-operating income and expenses, and changes in fair value gains and losses of financial assets. The Adjusted Net Profit is used to exclude the impact of non-recurring items but are not indicative of the operating performance of the Group.

(2) The number of shares used to calculate the basic earnings per share of the Company during the Reporting Period has not taken into account the issue of capitalization shares on the basis of 4 capitalization shares for every existing 10 shares out of reserves of the Company.

3. The estimated interim results for the Reporting Period are preliminary estimation by the finance department of the Company and have not been reviewed by the auditor or the audit committee of the Board of the Company and may be subject to adjustments. The Company has pre-communicated with the auditor of the Company on matters related to the estimated interim results, and there is no disagreement between the Company and the auditor of the Company on the estimated interim results.

II. MAIN REASONS FOR THE ESTIMATED CHANGE IN INTERIM RESULTS FOR THE REPORTING PERIOD

1. The operating revenue of the Company for the Reporting Period is estimated to be in a range between approximately RMB4,790.88 million and approximately RMB5,058.16 million, representing an increase by a range between approximately 172.18% and approximately 187.37%, among which the operating revenue for the second quarter of 2022 is estimated to be in a range between approximately RMB2,729.17 million and approximately RMB2,996.45 million, representing an increase by a range between approximately 177.64% and approximately 204.83% compared to the second quarter of 2021.

   The Company has maintained its global leadership in small molecule CDMO by practicing the business philosophy of "technology-driven, market-oriented and lean management", continued to improve its production and operation, and made every effort to overcome the adverse impact of the epidemic. Benefitting from the "large-scale-order" effect and the release of the Company's production capacity, the Company's small molecule CDMO business increased substantially, representing an increase in revenue by approximately 180% compared to the corresponding period in 2021, and each segment under the emerging business realized a robust growth, representing an increase in revenue by approximately 150% compared to the corresponding period in 2021.

2. The net profit attributable to shareholders of the Company for the Reporting Period is estimated to be in a range between approximately RMB1,644.30 million and approximately RMB1,742.95 million, representing an increase by a range between approximately 282.99% and approximately 305.97%, among which the net profit attributable to shareholders of the Company for the second quarter of 2022 is estimated to be in a range between approximately RMB1,144.90 million and approximately RMB1,243.55 million, representing an increase by a range between approximately 316.33% and approximately 352.21% compared to the second quarter of 2021;

The Adjusted Net Profit for the Reporting Period is estimated to be in a range between approximately RMB1,619.01 million and approximately RMB1,714.45 million, representing an increase by a range between approximately 359.24% and approximately 386.31%, among which the Adjusted Net Profit for the second quarter of 2022 is estimated to be in a range between approximately RMB1,132.62 million and approximately RMB1,228.06 million, representing an increase by a range between approximately 407.68% and approximately 450.45% compared to the second quarter of 2021.

The Company further optimized the management and control of the operating system, which effectively improved its capacity utilization rate and operational efficiency. The rapid growth of operating revenue has also brought about the release of economies of scale, which contributed to a significant increase in profitability. In addition, the Company's revenue is mainly denominated in USD, and the strong performance in USD during the Reporting Period have had a positive impact on revenue and profitability as the Group's financial results are presented in RMB.

III. OTHER RELEVANT INFORMATION

The estimated interim results disclosed in this announcement is only a preliminary estimate made by the finance department of the Company and has not been reviewed by the auditor or the audit committee of the Board of the Company and may be subject to adjustments. Please refer to the interim results announcement for the Reporting Period of the Company to be published subsequently for the finalized financial information. The Company is still in the process of finalizing the interim results for the Reporting Period. Financial information and other information of the Company for the Reporting Period will be disclosed in the interim results announcement for the Reporting Period of the Company in accordance with the requirements of the Listing Rules which is expected to be published on or before August 31, 2022. Investors are advised to pay attention to any associated investment risks.

The shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Asymchem Laboratories (Tianjin) Co., Ltd.
Dr. Hao Hong
Chairman of the Board, Executive Director and Chief Executive Officer

Tianjin, July 14, 2022

As of the date of this announcement, the Board of Directors of the Company comprises Dr. Hao Hong as the Chairman of the Board of Directors and executive Director, Ms. Yang Rui, Mr. Zhang Da and Mr. Hong Liang as executive Directors, Dr. Ye Song and Ms. Zhang Ting as non-executive Directors, and Ms. Zhang Kun, Mr. Wang Qingsong and Mr. Lee, Kar Chung Felix as independent non-executive Directors.