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 ANNUAL RESULTS OF 2022

1. Period for the estimated results: January 1, 2022 to December 31, 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**
Net profit attributable to shareholders of the Company	Approximately RMB3,293.35 million – RMB3,346.82 million, representing an increase by approximately 208% – 213%	Approximately RMB1,069.27 million
Net profit attributable to shareholders of the Company after deducting the non-recurring profit or loss (the "**Adjusted Net Profit**") [(1)]	Approximately RMB3,189.03 million – RMB3,235.79 million, representing an increase by approximately 241% – 246%	Approximately RMB935.20 million

	For the Reporting Period	For the corresponding period in 2021
Basic earnings per share of the Company (2)	Approximately RMB9.00 per share – RMB9.20 per share	Approximately RMB3.14 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 for the Reporting Period and for the corresponding period in 2021 have 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 annual 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 and may be subject to adjustments. The Company has pre-communicated with the auditor of the Company on matters related to the estimated annual results, and there is no disagreement between the Company and the auditor of the Company on the estimated annual results.

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

1. Strong Growth in Small Molecule Business, Effective Release of Economies of Scale

The operating revenue of the Company for the Reporting Period is estimated to be in a range between approximately RMB10.113 billion and approximately RMB10.345 billion, representing an increase by a range between approximately 118% and approximately 123%. The Company has maintained its global leading position in small molecule CDMO and fully implemented lean management in 2022. Benefiting from the improvement in operational efficiency and the effective release of economies of scale, the continuous high-quality delivery of large orders boosted the rapid growth of annual results. During the Reporting Period, the reserve of late-stage clinical projects was ample and the potential of commercialization projects continued to be released. The number of customers and projects of the Company continued to increase. The Company's revenue generated from its small molecule business is estimated to have a year-on-year increase of more than 115%. At the same time, the Company adhered to the technology-driven business strategy and the proportion of new technology application was further increased, boosting the improvement of profitability.

2. Emerging Businesses in Full Bloom, Progression towards a Harvest Season of the Domestic Market

The net profit attributable to shareholders of the Company for the Reporting Period is estimated to be in a range between approximately RMB3.293 billion and approximately RMB3.347 billion, representing an increase by a range between approximately 208% and approximately 213%. The "dual-wheel-drive" strategy was effectively implemented, accelerating the rapid development of emerging business sectors such as chemical macromolecules, clinical CRO, CDMO preparations and biological macromolecule CDMO. During the Reporting Period, the number of customers and projects in each emerging business sector continued to grow. The Company's revenue generated from the emerging business sectors is estimated to have a year-on-year increase of more than 145%. The domestic market has entered into a harvest season, the customer pool of various businesses was further expanded, and late-stage clinical and commercialization projects continued to be realized. The Company's revenue generated from the domestic market is estimated to have a year-on-year increase of more than 140%.

III. OTHER RELEVANT INFORMATION

The estimated annual 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 and may be subject to adjustments. Please refer to the annual 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 annual results for the Reporting Period. Financial information and other information of the Company for the Reporting Period will be disclosed in the annual 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 March 31, 2023. 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, January 30, 2023

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.