ASYMCHEM

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)

PROFIT WARNING

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 2024

1. Period for the estimated results: 1 January 2024 to 31 December 2024 (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 the following estimated results 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 2023**
Net profit attributable to shareholders of the Company	RMB850.00 million – RMB1,050.00 million Representing a decrease of 54%-63% compared to the same period last year	RMB2,268.81 million
Net profit after deducting the non-recurring profit or loss	RMB830.00 million – RMB1,010.00 million Representing a decrease of 52%-61% compared to the same period last year	RMB2,104.14 million
Basic earnings per share of the Company	RMB2.50 per share – RMB3.00 per share	RMB6.26 per share

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

In 2024, the Company recorded operating revenue ranging from RMB5.8 billion to RMB6.0 billion, demonstrating a year-on-year decrease of 23% to 25%. In particular, the Company marked a quarter-on-quarter growth of approximately 20% in the fourth quarter and a year-on-year growth of approximately 20%. The decline in 2024 operating income compared to 2023 was primarily due to the fulfillment of large orders in the previous year and the lack of similar large orders delivered during the Reporting Period. Excluding the impact of large orders, the Company maintained growth in its operating income, with the small molecule CDMO business achieving a year-on-year increase of approximately 11%. The emerging businesses reported an approximately 3% year-on-year increase in operating revenue.

In 2024, the net profit attributable to the shareholders of the Company amounted to RMB850 million to RMB1,050 million, recording a year-on-year decrease of 54% to 63%, in particular showing a quarter-on-quarter growth of approximately 35% in the fourth quarter. The greater degree of reduction in net profit compared to operating revenue was primarily due to: (1) the comparatively higher profit contribution from large orders delivered in the prior year, which were absent in 2024; (2) reduced revenue from emerging businesses and the relatively lower capacity utilization rate in some operations being in the ramp-up period, coupled with a lower gross profit margin for emerging businesses resulting from intense domestic competition; (3) the UK Sandwich site of the Company being still in its capacity ramp-up phase after commencing operation in the second half of the year; and (4) the Company's continuous investment in research and development of new technologies and exploration of new businesses, with relatively significant research and development expenses.

In general, the small molecule business had basically mitigated the resource surplus caused by the absence of large orders, returning the Company's profit to a historically favorable level. The chemical macromolecule business showed a promising trend in fields such as polypeptides, nucleic acids, ADCs, with its contribution to annual revenue exceeding 45% in the fourth quarter. In 2024, the Company continued to redouble its efforts in business development and achieved approximately 20% year-on-year growth in new orders, with the order growth rate from European and American markets outpacing the overall order growth rate of the Company. Additionally, the order undertaking maintained a strong momentum, laying a solid foundation for the Company's stable operation.

III. OTHER RELEVANT INFORMATION

The estimated annual results disclosed in this announcement are only a preliminary estimation made by the finance department of the Company and have not been reviewed by the auditor or the audit committee of the Board. Please refer to the annual results announcement for the Reporting Period of the Company to be published by the end of March 2025 for the finalized financial information. The Company is still in the process of finalizing the annual results for the Reporting Period. Investors are advised to pay attention to any associated investment risks.

The announcement is made in Chinese. In case of any discrepancies of interpretations, the original Chinese version shall prevail.

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
Chairperson of the Board, Executive Director and Chief Executive Officer

Tianjin, the PRC, 27 January 2025

As of the date of this announcement, the Board comprises Dr. Hao Hong as the Chairperson of the Board 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 Dr. Sun Xuejiao, Dr. Hou Xinyi and Mr. Lee, Kar Chung Felix as independent non-executive Directors.