

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



JOINN LABORATORIES (CHINA) CO., LTD.

北京昭衍新藥研究中心股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 6127)

POSITIVE PROFIT ALERT

This announcement is published by JOINN Laboratories (China) Co. Ltd. (the “**Company**”, together 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 Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The following figures are financial figures prepared under the China Accounting Standards for Business Enterprises.

The board of directors of the Company (the “**Board**”) wishes to inform shareholders and potential investors of the Company that, based on the preliminary review of the unaudited management accounts of the Group for the year ended 31 December 2021 and the information currently available to the Board, the Group is expecting to record (i) a net profit attributable to equity shareholders of the Company of approximately RMB542.79 million to RMB574.29 million for the year ended 31 December 2021, being an increase of approximately 72.3% to 82.3% as compared with RMB315.01 million as recorded in the corresponding period in 2020; and (ii) a net profit attributable to equity shareholders of the Company adjusted for non-recurring profit after deduction of income tax of approximately RMB515.54 million to RMB547.04 million for the year ended 31 December 2021, being an increase of approximately 76.6% to 87.4% as compared with RMB291.92 million as recorded in the corresponding period in 2020.

The substantial increase in the net profits of the Group for the year ended 31 December 2021 is primarily attributable to the following factors including:

- (1) an increase in the Group's revenue due to the following reasons:
 - (a) The Group has strengthened technological innovation and took the lead in establishing and standardizing innovative drug evaluation technology platform among the industry. The Group continues to strengthen its research and development support for innovative drugs and original innovations of new technology platforms, gaining the trust of innovative research and development enterprises.

- (b) The scale of the Group's scientific research and technical team has expanded with the addition of more and more mature technical personnel. The Group's experimental facilities and project management processes have been further improved and optimized, resulting in a continuous improvement of laboratory capacity utilization which ensures efficient execution of orders in hand. On the other hand, the supply side also provided strong support for the Group's performance growth.
 - (c) The Group continued to improve its capital management capabilities, which had a positive impact on the Group's financial performance.
- (2) a non-recurring profit after deduction of income tax of approximately RMB27 million due to various factors including government subsidies, income from trading of financial assets and foreign exchange settlement of proceeds raised from the global offering of the shares of the Company on the Stock Exchange, which represented an increase of approximately RMB4 million as compared with the corresponding period in 2020.

The information in this announcement is only based on the preliminary assessment by the Board, with reference to the management accounts and the information currently available, which are subject to finalization and adjustments, and has not been audited by the auditors or reviewed by the audit committee of the Company. The Company is still in the process of finalizing the annual results for the year ended 31 December 2021. Financial information and other details of the Company for the year ended 31 December 2021 will be disclosed in the annual results announcement for the year ended 31 December 2021 in accordance with the requirements of the Listing Rules which is expected to be published in late March 2022.

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
JOINN Laboratories (China) Co., Ltd.
Feng Yuxia
Chairperson

Hong Kong, 20 January 2022

As at the date of this announcement, the Board comprises Ms. Feng Yuxia as the Chairperson and executive Director, Mr. Zuo Conglin, Mr. Gao Dapeng, Ms. Sun Yunxia and Dr. Yao Dalin as executive Directors, Mr. Gu Xiaolei as a non-executive Director, and Mr. Sun Mingchen, Dr. Zhai Yonggong, Mr. Ou Xiaojie and Mr. Zhang Fan as independent non-executive Directors.