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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)

ANNOUNCEMENT ON ESTIMATED GROWTH IN RESULTS FOR THE YEAR OF 2022

This announcement is made by JOINN Laboratories (China) Co., Ltd. (the “**Company**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Hong Kong Listing Rules.

IMPORTANT NOTICE:

1. The operating revenue of the Company will increase by approximately RMB548.6344 million to RMB851.9704 million as compared with the data in the financial statements for the corresponding period of last year, representing a year-on-year increase of approximately 36.2% to 56.2%.
2. It is expected that the net profit attributable to the shareholders of the Company will increase by approximately RMB454.1597 million to RMB565.6516 million as compared with the data in the financial statements for the corresponding period of last year, representing a year-on-year increase of approximately 81.5% to 101.5%.
3. The net profit attributable to the shareholders of the Company after deducting non-recurring gains and losses will increase by approximately RMB430.7622 million to RMB536.8034 million as compared with the data in the financial statements for the corresponding period of last year, representing a year-on-year increase of approximately 81.2% to 101.2%.
4. After excluding the effects of gains arising from changes in the fair value of biological assets, interest income and exchange gains and losses, the net profit attributable to the shareholders of the Company after deducting non-recurring gains and losses will increase by approximately RMB183.7998 million to RMB254.2672 million as compared with the data in the financial statements for the corresponding period of last year, representing a year-on-year increase of approximately 52.2% to 72.2%.

I. ESTIMATED RESULTS FOR THE PERIOD

(I) Period of estimated results

From 1 January 2022 to 31 December 2022.

(II) Estimated results

The preliminary estimates made by the Company's finance department are as follows:

1. It is expected that the operating revenue of the Company in 2022 will increase by approximately RMB548.6344 million to RMB851.9704 million as compared with the data in the financial statements for the corresponding period of last year, representing a year-on-year increase of approximately 36.2% to 56.2%.
2. It is expected that the net profit attributable to the shareholders of the Company in 2022 will increase by approximately RMB454.1597 million to RMB565.6516 million as compared with the data in the financial statements for the corresponding period of last year, representing a year-on-year increase of approximately 81.5% to 101.5%.
3. It is expected that the net profit attributable to the shareholders of the Company after deducting non-recurring gains and losses will increase by approximately RMB430.7622 million to RMB536.8034 million as compared with the data for the corresponding period of last year, representing a year-on-year increase of approximately 81.2% to 101.2%.
4. After excluding the effects of gains arising from changes in the fair value of biological assets, interest income and exchange gains and losses, it is expected that the net profit attributable to the shareholders of the Company after deducting non-recurring gains and losses in 2022 will increase by approximately RMB183.7998 million to RMB254.2672 million as compared with the data for the corresponding period of last year, representing a year-on-year increase of approximately 52.2% to 72.2%.

(III) The estimated results have not been audited by certified public accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD OF LAST YEAR

1. The operating revenue of the Company: RMB1,516.68 million.
2. The net profit attributable to the shareholders of the Company: RMB557.4596 million. The net profit attributable to the shareholders of the Company after deducting non-recurring gains and losses: RMB530.2057 million. After excluding the effects of gains arising from changes in the fair value of biological assets, interest income and exchange gains and losses, the net profit attributable to the shareholders of the Company after deducting non-recurring gains and losses: RMB352.3371 million. Earnings per share: RMB1.51.

III. MAIN REASONS FOR THE ESTIMATED GROWTH IN RESULTS DURING THE PERIOD

(I) The results of the Company maintained a good growth, being mainly attributable to the following factors:

- (1) The Company has further expanded production capacities in the current year, fully developed production capacities and improved its utilization rate, ensured the smooth delivery of orders on hand, and continuously provided efficient services for innovative drug research and development, which won the trust of cooperative enterprises.
- (2) The Company adheres to the awareness of innovation and quality management, and continues to nurture the scientific research and technology team. The scale of the team has been expanded in the year. The overall team has maintained a high technical level, and the human efficiency index has been further improved, providing favorable support for the business development.
- (3) The Company completed the acquisition of upstream supply chain related companies, strengthened the strategic reserve and cost control of key research models, and ensured the continuous provision of quality services from the supply side.
- (4) The sound capital management of the Company has brought a positive impact on the performance.

(II) Effects of non-recurring gains or losses:

It was mainly due to several factors such as government subsidies, gains on financial assets held for trading and acquisition of negative goodwill. The effect of the non-recurring gains and losses after income tax on the net profit amounted to approximately RMB53 million, increasing by approximately RMB26 million as compared with the corresponding period of last year.

IV. RISK WARNING

There are no material uncertainties affecting the accuracy of the estimated results.

V. OTHER EXPLANATION

The above forecast data are only preliminary accounting figures. The specific and accurate financial data shall be subject to the 2022 annual report officially disclosed by the Company. Investors are advised to pay attention to investment risks.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
JOINN Laboratories (China) Co., Ltd.
Feng Yuxia
Chairperson

Hong Kong, January 16, 2023

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 Mingcheng, Dr. Zhai Yonggong, Mr. Ou Xiaojie and Mr. Zhang Fan as independent non-executive Directors.