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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)**

## **PROFIT WARNING**

### **ANNOUNCEMENT ON THE ESTIMATED DECREASE IN ANNUAL RESULTS FOR THE YEAR OF 2024**

This announcement is made by JOINN Laboratories (China) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

#### **I. ESTIMATED RESULTS FOR THE CURRENT PERIOD**

##### **(I) Period covered by the estimated results**

From 1 January 2024 to 31 December 2024.

##### **(II) Estimated results**

The board of directors (the “**Board**”) of the Company wishes to inform shareholders and potential investors of the Company that, based on a preliminary assessment of the unaudited management accounts of the Group for the year ended 31 December 2024 (the “**Reporting Period**”), and on the information currently available to the Board, the preliminary estimates made by the Company’s finance department are as follows:

1. It is expected that the operating revenue of the Group in 2024 would range from approximately RMB1,917,417,100 to RMB2,119,250,500, representing a decrease of approximately RMB257,236,300 to RMB459,069,700 as compared with the corresponding period of the previous year, with a year-to-year decrease of approximately 10.8% to 19.3%.

2. It is expected that net profit attributable to shareholders of the Company in 2024 would range from approximately RMB58,688,000 to RMB88,032,000, representing a decrease of approximately RMB308,960,600 to RMB338,304,600, as compared with the corresponding period of the previous year, with a year-to-year decrease of approximately 77.8% to 85.2%.
3. It is expected that net profit attributable to shareholders of the Company after deducting non-recurring gains and losses in 2024 would range from approximately RMB17,892,000 to RMB26,838,000, representing a decrease of approximately RMB310,726,700 to RMB319,672,700 as compared with the corresponding period of the previous year, with a year-to-year decrease of approximately 92.0% to 94.7%. Among which:
  - 3.1. Net profit from the laboratory services business would range from approximately RMB43,299,900 to RMB54,920,500.
  - 3.2. Net loss from changes in fair value of biological assets would range from approximately RMB107,808,600 to RMB119,156,900.
  - 3.3. Net profit from gains on fund management would range from approximately RMB82,400,700 to RMB91,074,400.

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

## **II. RESULTS FOR THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR**

1. Operating revenue of the Company: RMB2,376,486,800. Net profit attributable to shareholders of the Company: RMB396,992,600. Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses: RMB337,564,700. Among which, net profit from laboratory services business: RMB473,285,700; net profit from changes in fair value of biological assets: RMB267,146,100; and net profit from gains on fund management: RMB131,425,100.
2. Earnings per share: RMB0.53.

## **III. MAIN REASONS FOR THE ESTIMATED DECREASE IN RESULTS DURING THE CURRENT PERIOD**

1. During the Reporting Period, the Company's laboratory maintained a good operating state. However, with intensified competition in the industry, the pressure to obtain orders increased, order prices dropped and profit margins were compressed, resulting in a year-on-year decrease in gross profit margin and a corresponding decrease in the net profit of the laboratory service business.
2. During the Reporting Period, the market price of biological assets held by the Company decreased, resulting in changes in the fair value of biological assets that had a negative impact on the performance of the Company.

#### **IV. RISK WARNING**

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

#### **V. OTHER EXPLANATION**

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 finalisation 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 finalising its annual results for the year ended 31 December 2024. The financial information and other details of the Company for the year ended 31 December 2024 will be disclosed in the annual results announcement for the year ended 31 December 2024 in accordance with the requirements of the Listing Rules, which is expected to be published by the end of March 2025.

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

Beijing, China, 24 January 2025

*As at the date of this announcement, the Board comprises Ms. Feng Yuxia as the Chairperson and executive Director, Mr. Gao Dapeng, Ms. Sun Yunxia, Ms. Luo Xi and Mr. Gu Jingliang as executive Directors, and Mr. Zhang Fan, Mr. Yang Fuquan, Mr. Yang Changyun and Mr. Ying Fangtian as independent non-executive Directors.*