



2022 Q1-Q3 Results

Asymchem Laboratories (Tianjin) Co., Ltd.

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All financials disclosed in this document are presented in accordance with Chinese Accounting Standards (“CAS”s) except for those specifically noted otherwise.

Use of Adjusted Financial Measures

We have provided adjusted net profit attributable to shareholders of the Company and adjusted net profit margin attributable to shareholders of the Company as additional financial measures, which are not required by, or presented in accordance with, the IFRS. We believe that the adjusted financial measures used in this presentation are useful for understanding and assessing underlying business performance and operating trends, and we believe that management and investors may benefit from referring to these adjusted financial measures in assessing our financial performance by eliminating the impact of certain unusual, non-recurring, non-cash and/or non-operating items that we do not consider indicative of the performance of our business. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS. You should not view adjusted results on a stand-alone basis or as a substitute for results under IFRS.

Strong Revenue and Profit Growth in Q1-Q3 2022

Q3 Revenue
(RMB MM)

2,770
↑ +138.3%

Q1-Q3 Revenue
(RMB MM)

7,812
↑ +167.3%

Q3 Net Profit (margin) Attributable to Owners of the Company

RMB **981** MM ↑ +269.4%

35.4% ↗ +12.6points

Q3 Adjusted Net Profit (margin) Attributable to Owners of the Company

RMB **780** MM ↑ +199.7%

28.2% ↗ +5.8points

Q1-Q3 Net Profit (margin) Attributable to Owners of the Company

RMB **2,721** MM ↑ +291.6%

34.8% ↗ +11.1points

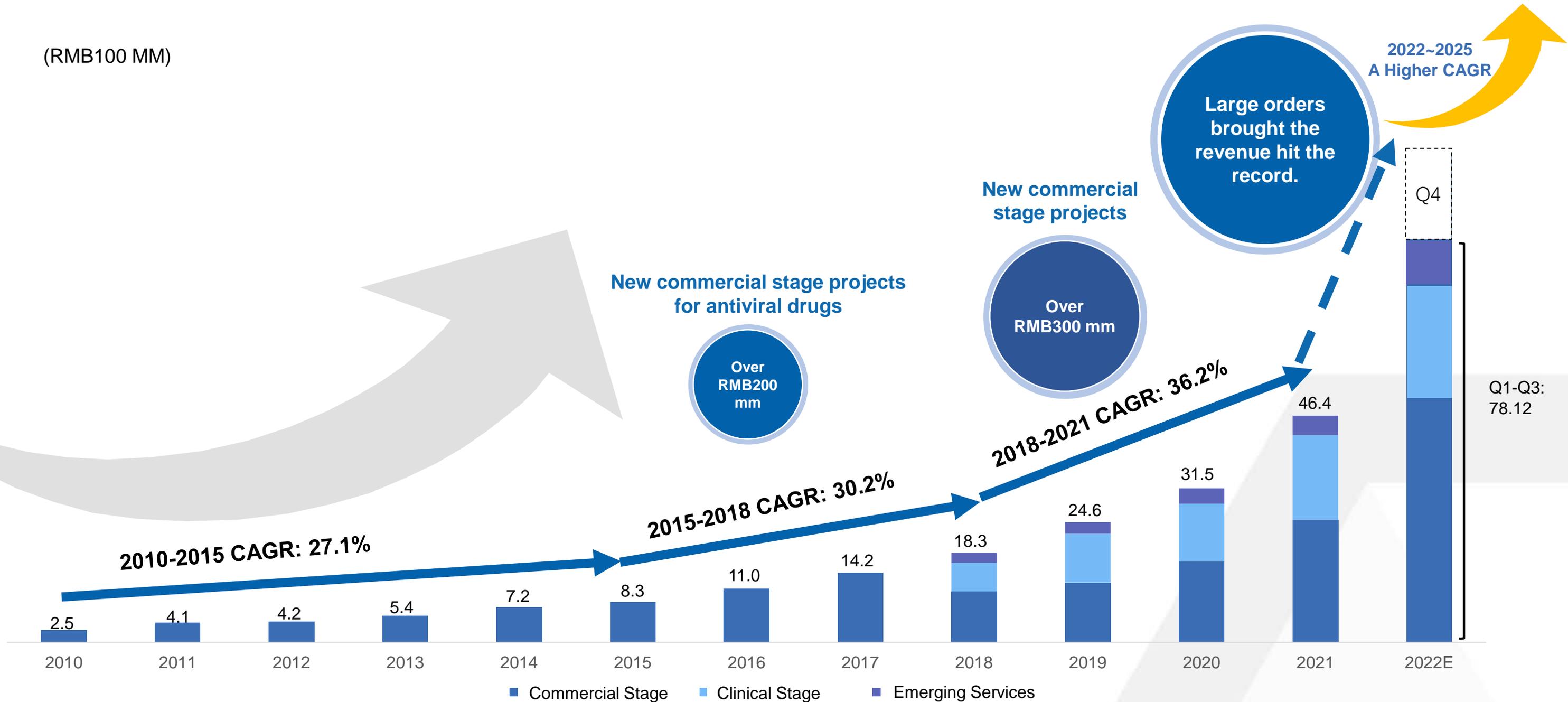
Q1-Q3 Adjusted Net Profit (margin) Attributable to Owners of the Company

RMB **2,317** MM ↑ +228.1%

29.7% ↗ +5.5points

Large Orders Stimulated Revenue in Q1-Q3 2022

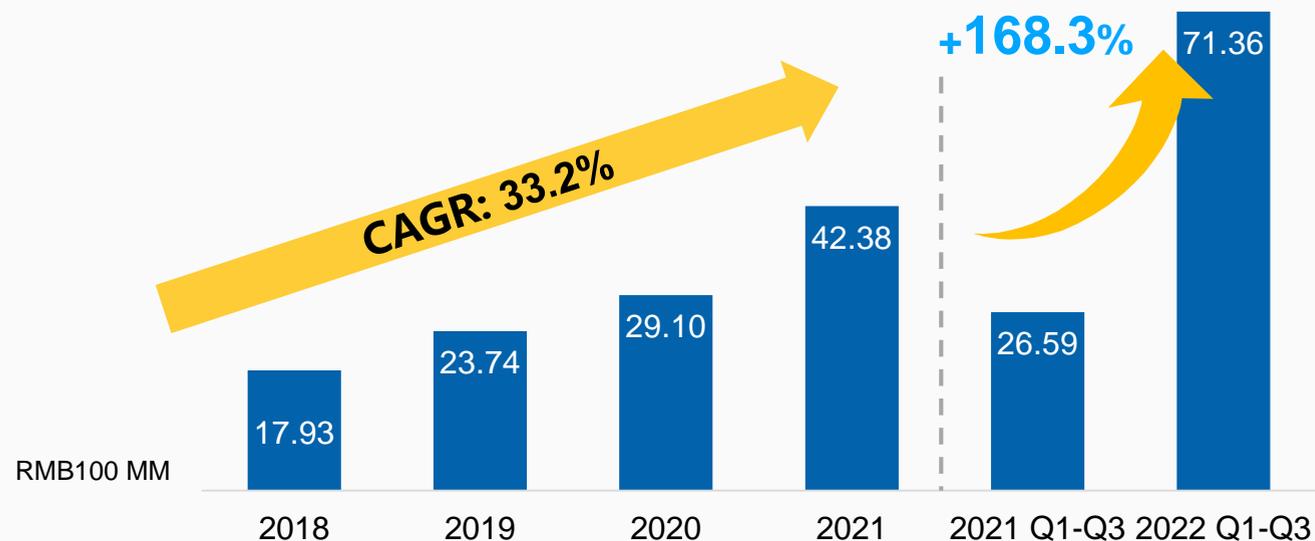
(RMB100 MM)



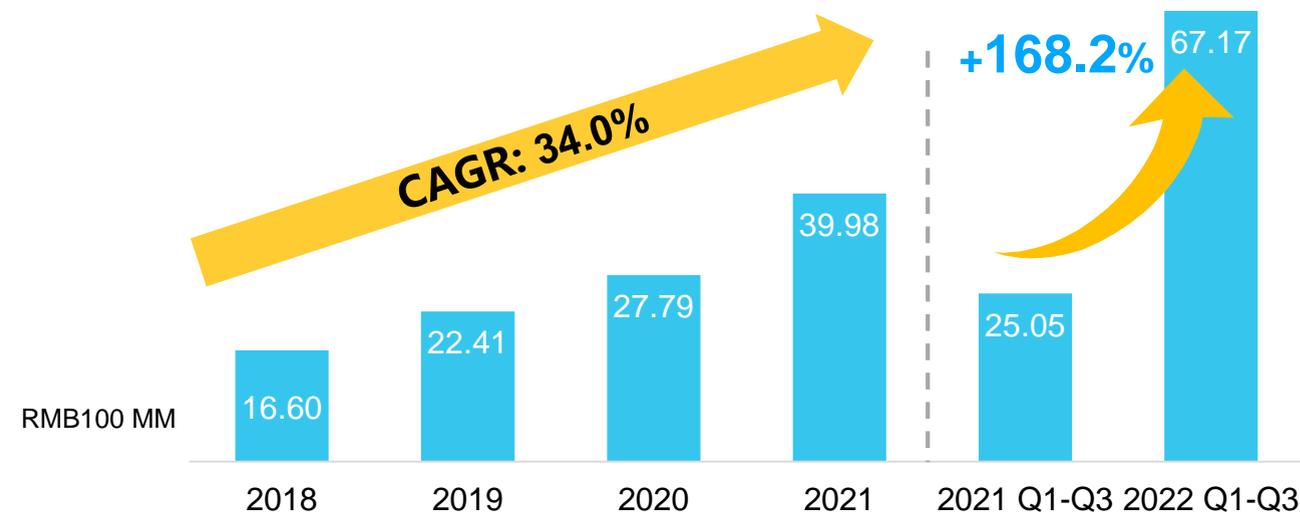
Accelerating Growth on Back of “Dual-Wheel-Drive” Strategy

Domestic Market Ushered in the Harvest Period

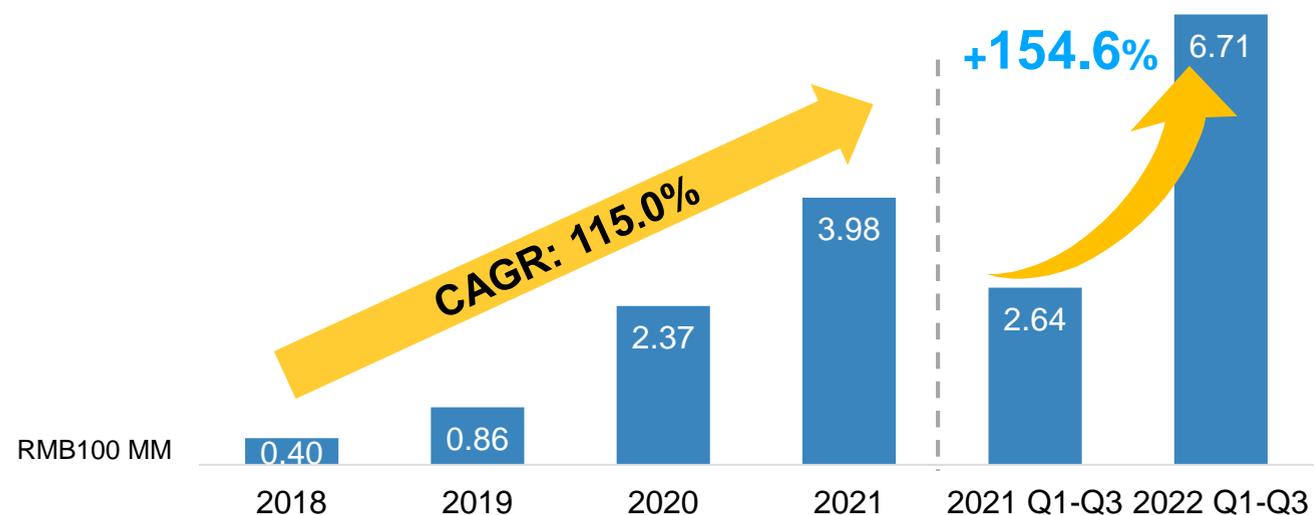
Revenue from Small Molecule CDMO Business



Revenue from Overseas Market



Revenue from Emerging Business



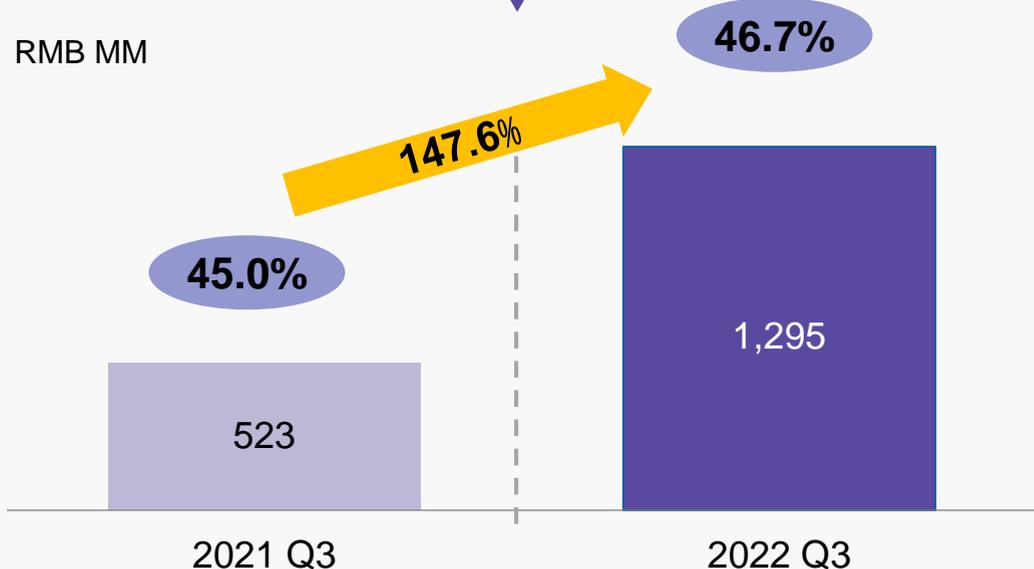
Revenue from Domestic Market



Key Financial Indicators Had Strong Performance in the Reporting Period

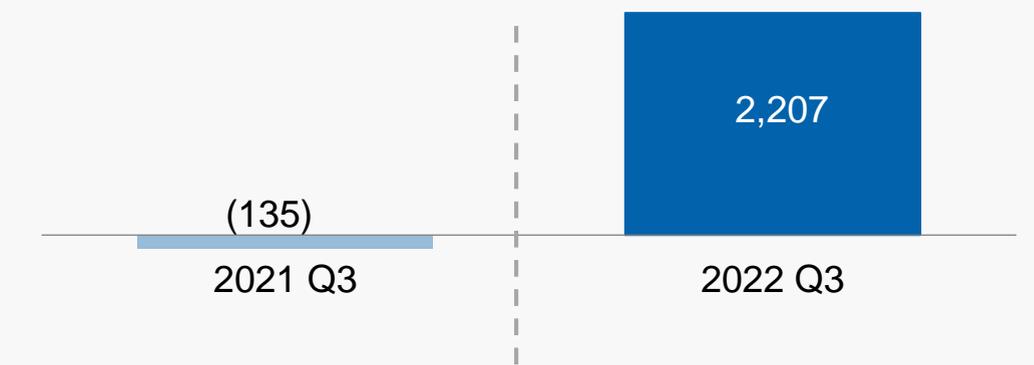
Q3 Gross Profit and Gross Profit Margin

RMB MM



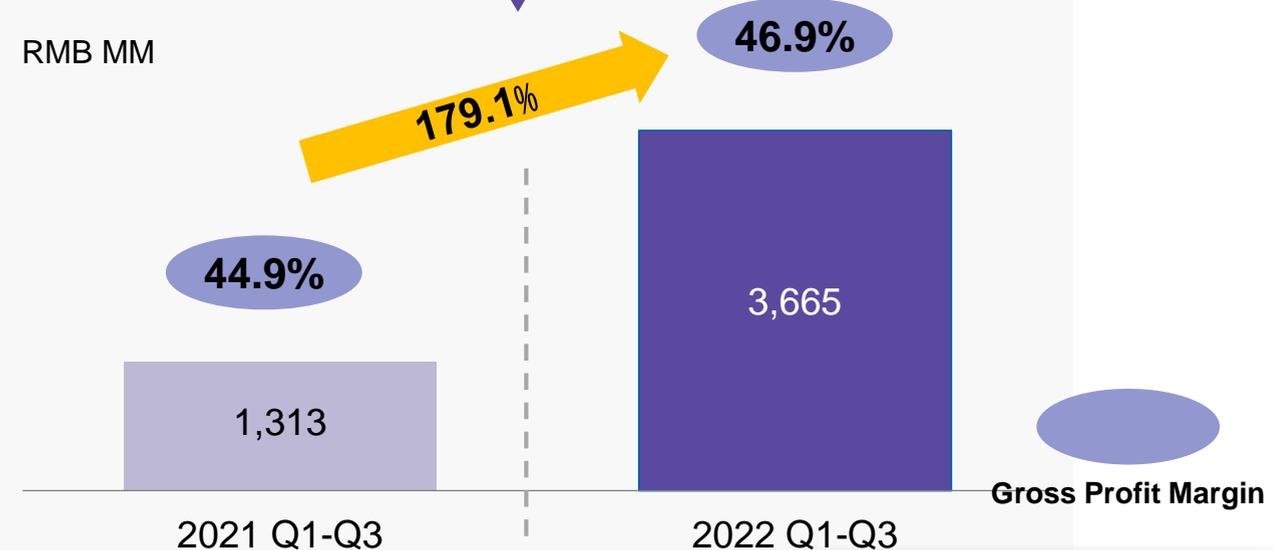
Q3 Cash Generated from Operations

RMB MM



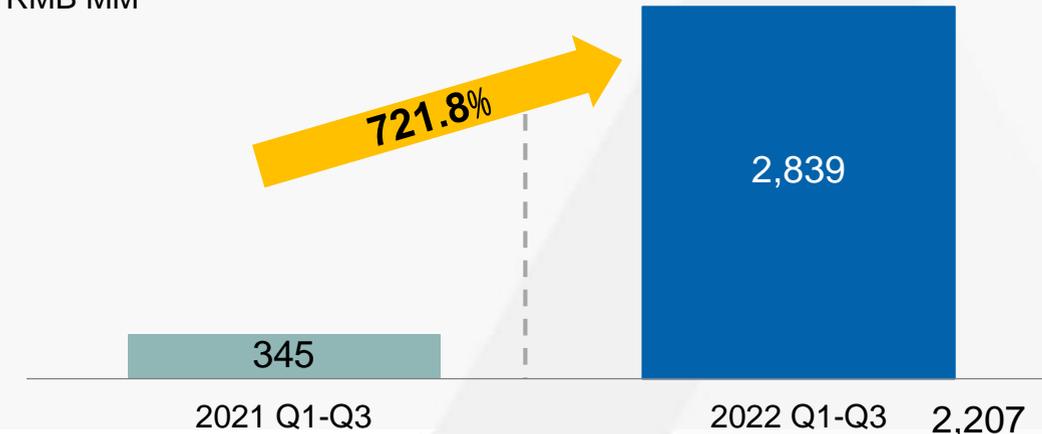
Q1-Q3 Gross Profit and Gross Profit Margin

RMB MM

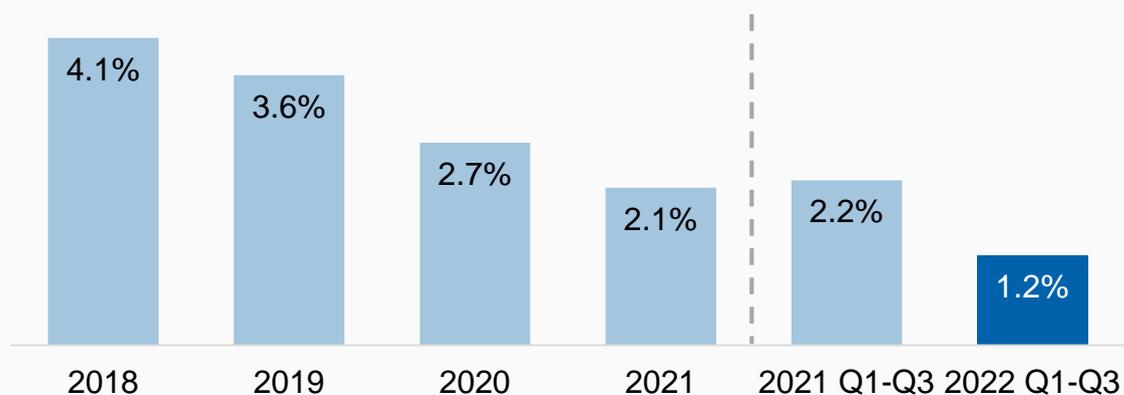


Q1-Q3 Cash Generated from Operations

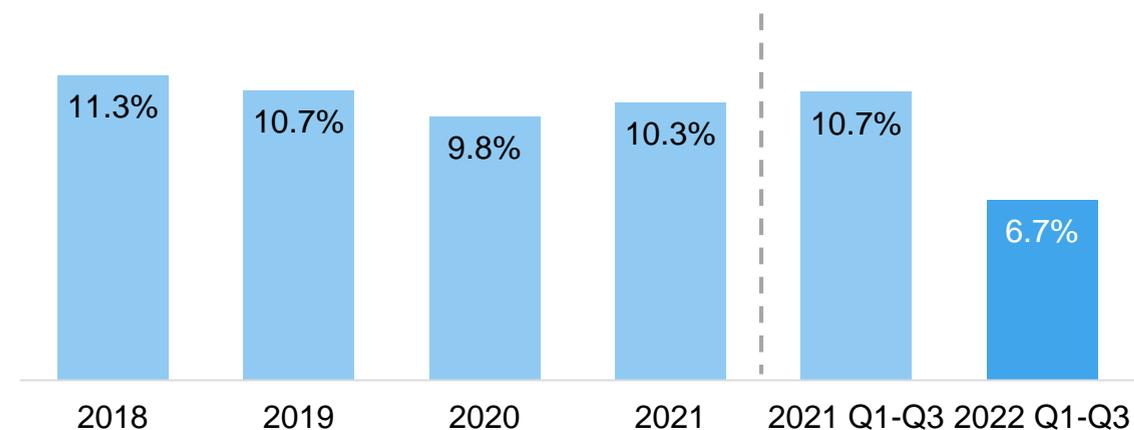
RMB MM



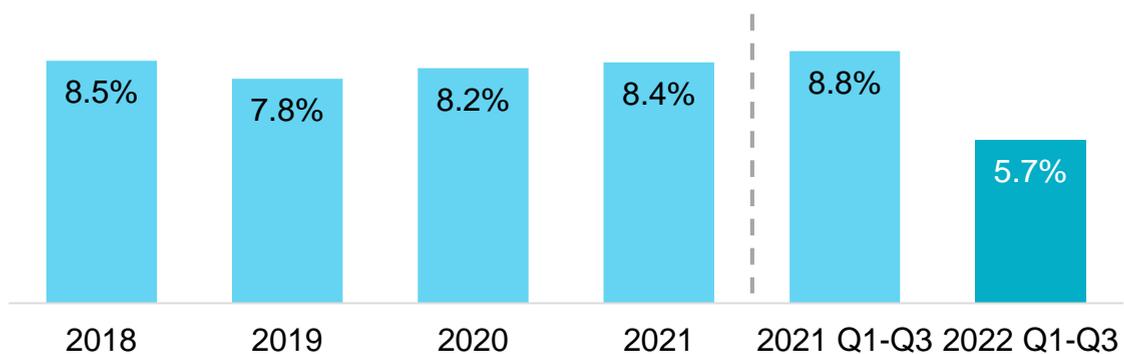
Selling and Distribution Expenses as % of Total Revenue



Administrative Expenses as % of Total Revenue

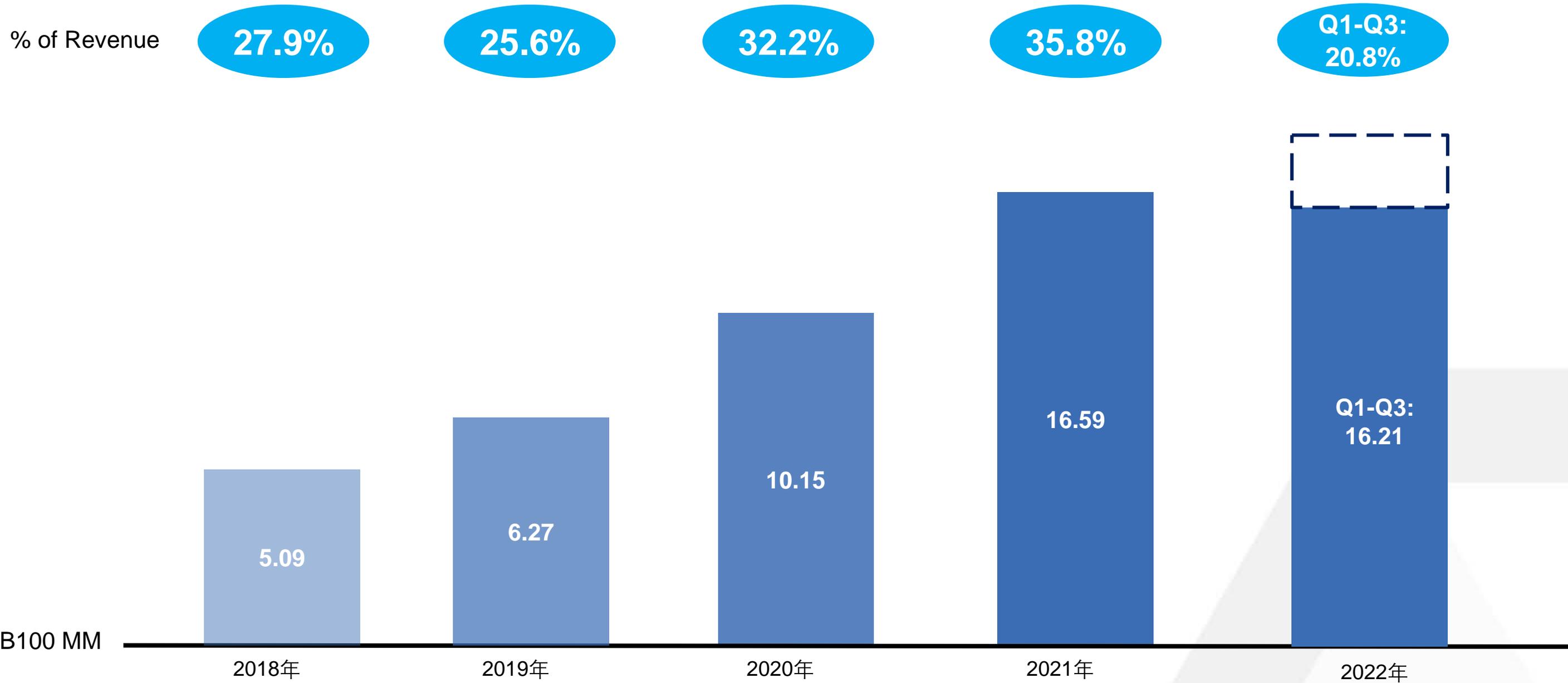


R&D Expenses as % of Total Revenue

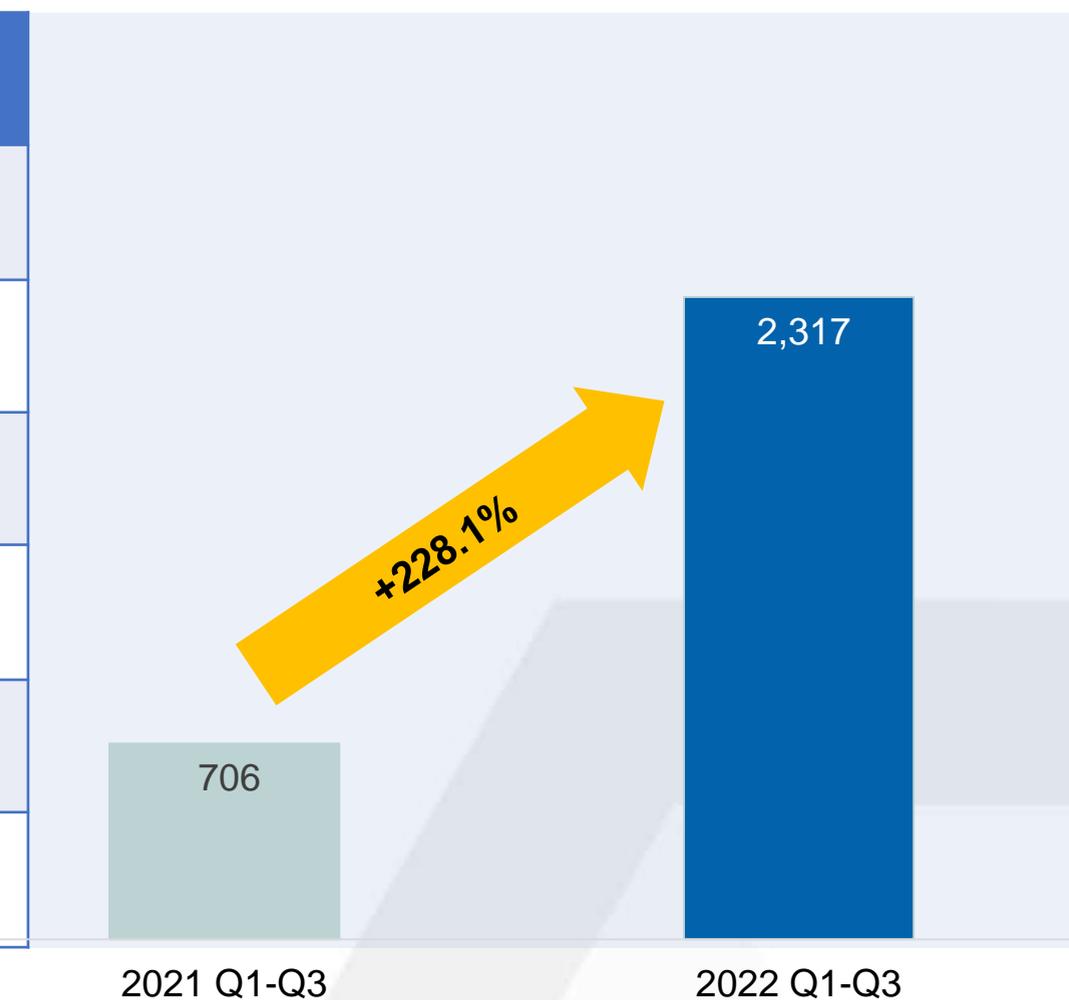


Finance Costs as % of Total Revenue





RMB MM	2022 Q1-Q3	2021 Q1-Q3
Net Profit Attributable to Owners of the company	2,721	695
Plus:		
Equity incentive amortization expense	41	13
Gain or loss on exchange rate fluctuations	(516)	0.1
Income tax effect	71	(2)
Adjusted Net Profit Attributable to Owners of the company	2,317	706





Appendix





Consolidated Statement of Profit as at the Beginning of the Year to the End of Reporting Period

RMB MM

	Q1-Q3 2022	Q1-Q3 2021
REVENUE	7,812	2,923
Cost of sales	4,146	1,610
Gross profit	3,666	1,313
Tax and surcharges	37	17
Selling and distribution expenses	96	64
Administrative expenses	522	312
Research and development expenses	442	257
Financial expenses	(512)	(3)
Add: Other income	23	89
Gains from investment (loss is represented by “-”)	(4)	25
Gains from change in fair value (loss is represented by “-”)	28	-
Impairment loss of credit (loss is represented by “-”)	(3)	(7)
Gains from assets disposal (loss is represented by “-”)	1	-
Operational profit	3,126	773
Add: Non-operating income	-	2
Less: Non-operating expenses	4	(1)
Net profit	3,122	774
Less: Income tax expenses	401	79
Net profit (net loss is represented by “-”)	2,721	695
Plus:		
Equity incentive amortization expense	41	13
Gain or loss on exchange rate fluctuations	(516)	0.1
Income tax effect	72	(2)
Adjusted Net Profit Attributable to Owners of the company	2,317	706

RMB MM

	Q3 2022	2021
CURRENT ASSETS		
Cash and bank balances	6,267	6,234
Financial assets held for trading	1,421	401
Trade receivables	1,918	1,816
Prepayments	352	222
other receivables	182	23
Inventories	1,668	1,396
Contract assets	1	1
Other current assets	370	217
Total current assets	12,179	10,310
Non-current assets:		
Long-term equity investments	247	292
Other non-current financial assets	108	104
Fixed assets	2,837	2,244
Construction in progress	1,434	1,047
Right-of-use assets	50	51
Intangible assets	484	374
Goodwill	148	146
Long-term prepaid expenses	51	46
Deferred income tax assets	270	187
Other non-current assets	257	355
Total non-current assets	5,886	4,846
Total assets	18,065	15,156

Consolidated Statement of Financial Position (continued)

	Q3 2022	2021
Current liabilities:		
Short-term borrowings	-	375
Financial liabilities held for trading	29	-
Accounts payables	1,024	552
Contract liabilities	300	131
Staff remuneration payables	137	188
Taxes payables	223	89
Other payables	863	852
Non-current liabilities due within one year	13	13
Other current liabilities	-	5
Total current liabilities	2,589	2,205
Non-current liabilities:		
Lease liabilities	46	46
Deferred income	172	179
Deferred income tax liabilities	195	116
Total non-current liabilities	413	341
Total liabilities	3,003	2,546
Owners' equity:		
Share capital	370	263
Capital reserve	9,878	9,564
Less: Treasury shares	987	481
Other comprehensive income	18	(9)
Surplus reserve	103	103
Retained earnings	5,680	3,170
Total equity attributable to owners of the parent company	15,062	12,610