



2023 Q1 Results

Asymchem Laboratories (Tianjin) Co., Ltd.

002821.SZ/6821.HK

- This document is not for public dissemination and the information contained herein is for the exclusive use of the persons to whom it is addressed and their advisers in connection with Asymchem Laboratories (Tianjin) Co., Ltd. (the “Company”, together with its subsidiaries, hereinafter referred to as the “Group”). It is being made available by the Company to a limited number of recipients. The contents of this document have not been reviewed by any regulatory authority in any jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law, and whoever comes into possession of this document should inform themselves about, and observe such restrictions. Any failure to comply with this restriction may constitute a violation of the United States, Canadian, PRC or Japanese securities laws or the laws of any such other jurisdictions. By accepting this document, you agree to be bound by the foregoing limitations.
- Forward-Looking Statement
- This presentation may contain certain “forward-looking statements” which are not historical facts, but instead are predictions about future events based on our beliefs as well as assumptions made by and information currently available to our management. Although we believe that our predictions are reasonable, future events are inherently uncertain and our forward-looking statements may turn out to be incorrect. Our forward-looking statements are subject to risks relating to, among other things, the ability of our service offerings to compete effectively, our ability to meet timelines for the expansion of our service offerings, our ability to protect our clients’ intellectual property, unforeseeable international tension, competition, the impact of emergencies and other force majeure. Our forward-looking statements in this presentation speak only as of the date on which they are made, and we assume no obligation to update any forward-looking statements except as required by applicable law or listing rules. Accordingly, you are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. All forward-looking statements contained herein are qualified by reference to the cautionary statements set forth in this section. All information provided in this presentation is as of the date of this presentation and are based on assumptions that we believe to be reasonable as of this date, and we do not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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.

22.49Revenue
(RMB 100mm) +9.1%**6.30**Net Profit Attributable to
Shareholders of the Company
(RMB 100mm) +26.2%**7.01**Adjusted Net Profit
(RMB 100mm) +26.7%**13.04**Net Cash Flow from
Operating Activities
(RMB 100mm) +537.1%**48.4%**

Gross Profit Margin

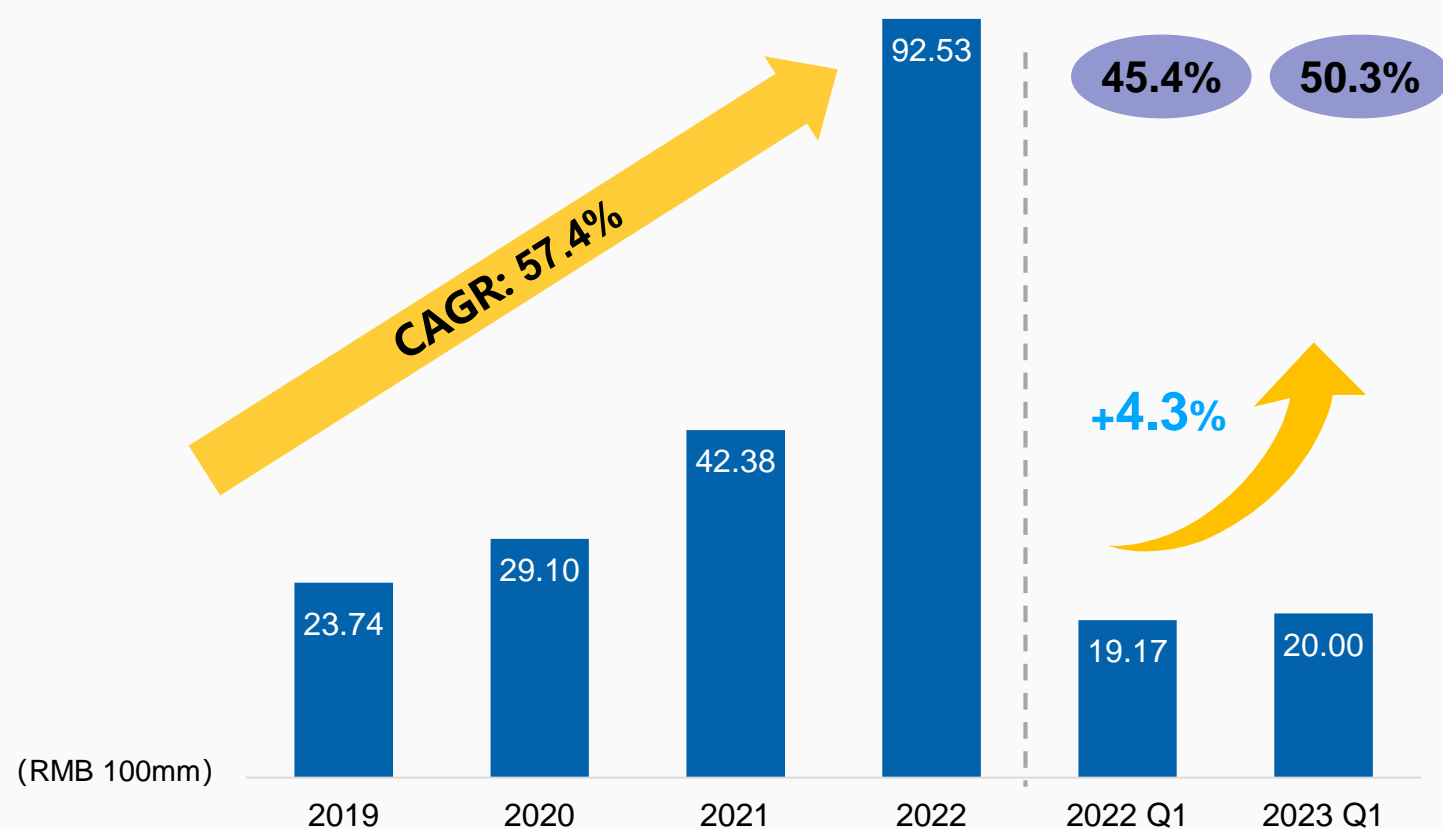
 +3.2%**28.0%**Net Profit Margin Attributable to
Shareholders of the Company +3.8%**31.2%**

Adjusted Net Profit Margin

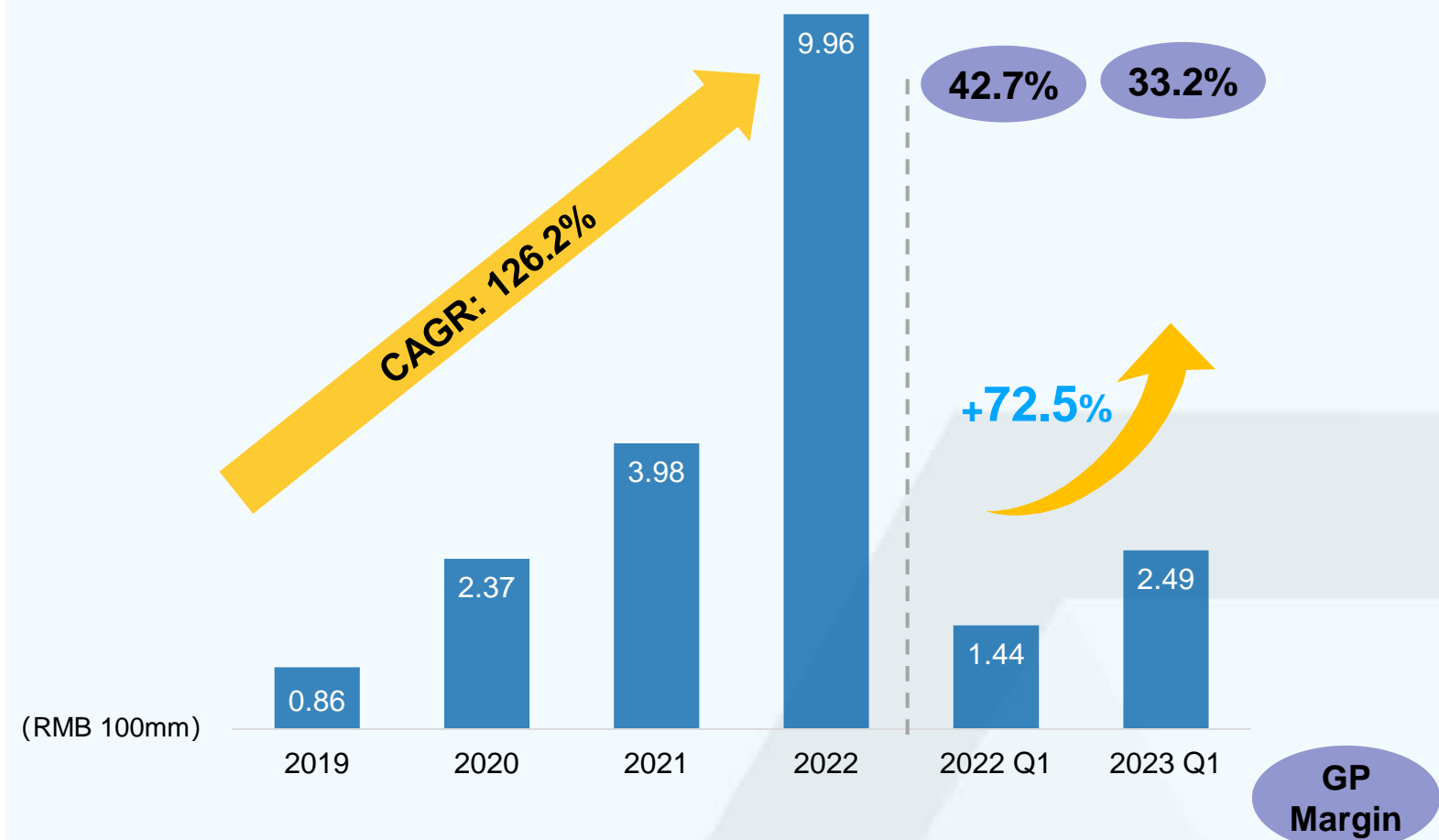
 +4.3%

Steady Growth in Small Molecule CDMO Services and Rapid Development of Emerging Services

Revenues from Small Molecule CDMO Services

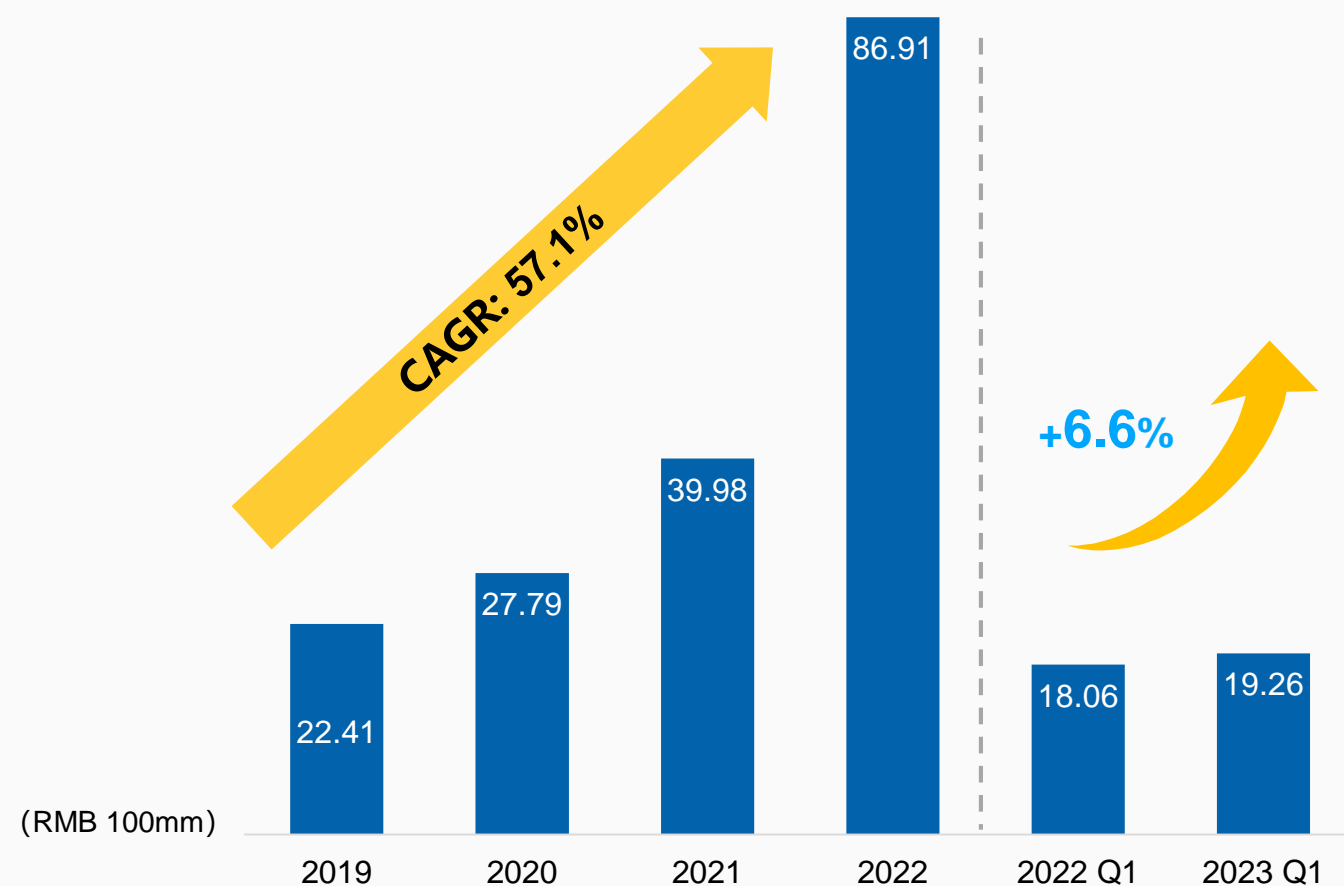


Revenues from Emerging Services

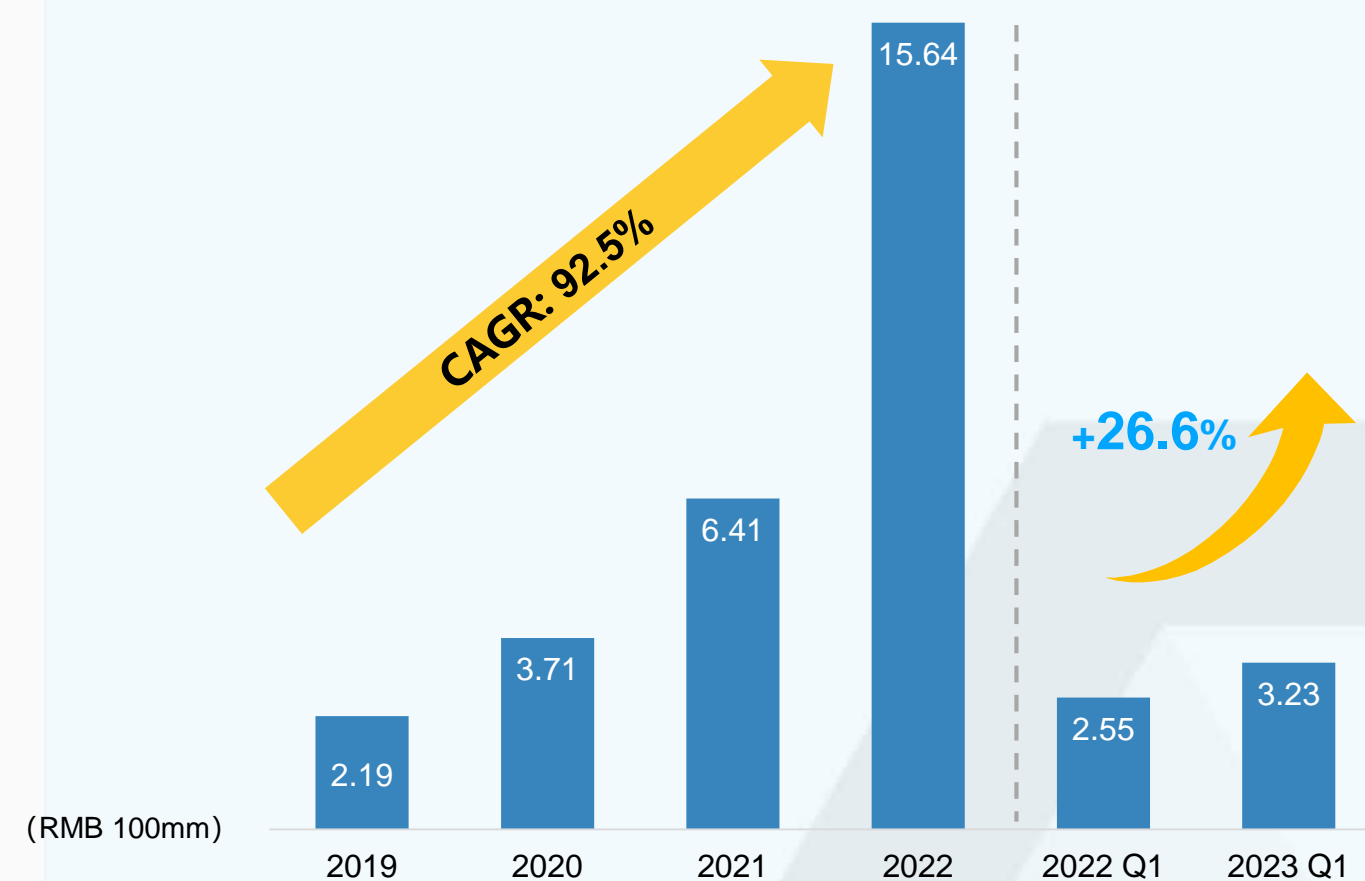


If large orders are excluded, the revenue from small molecule CDMO business increased by 45.37% yoy, among which the revenue from large pharmaceutical companies increased by over 60% yoy.

Revenue From Overseas Market

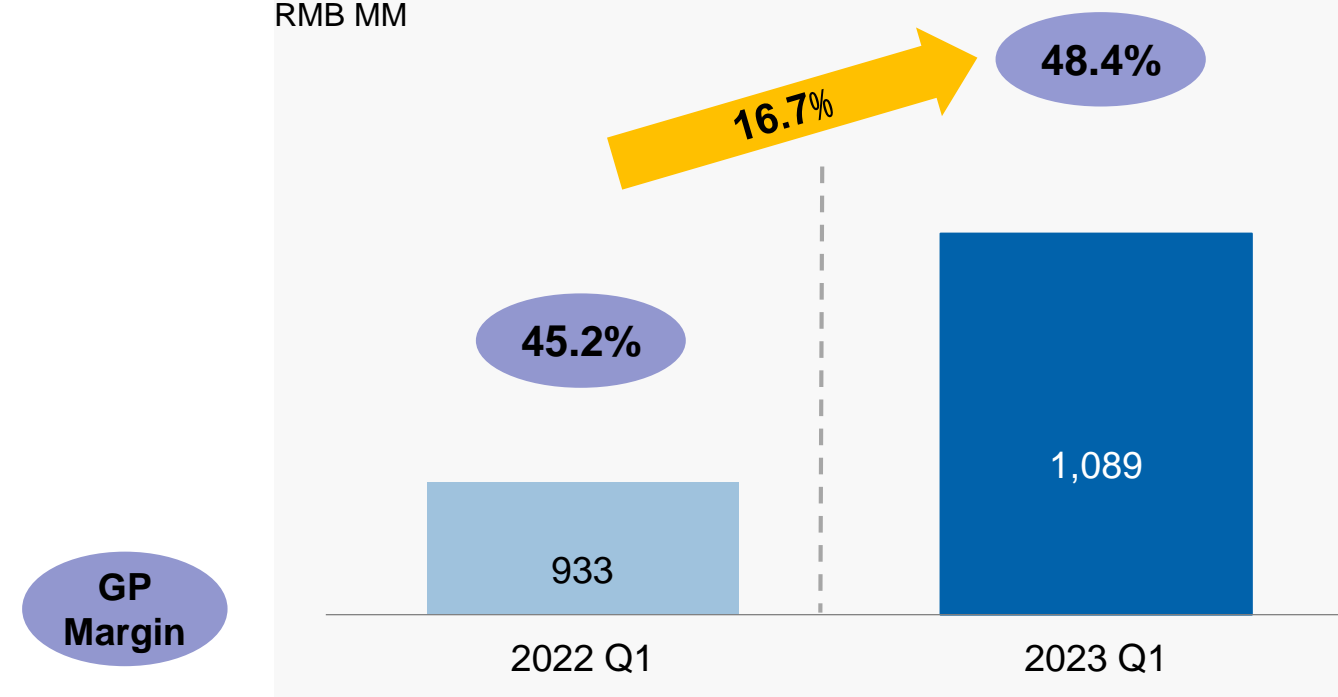


Revenue From Domestic Market



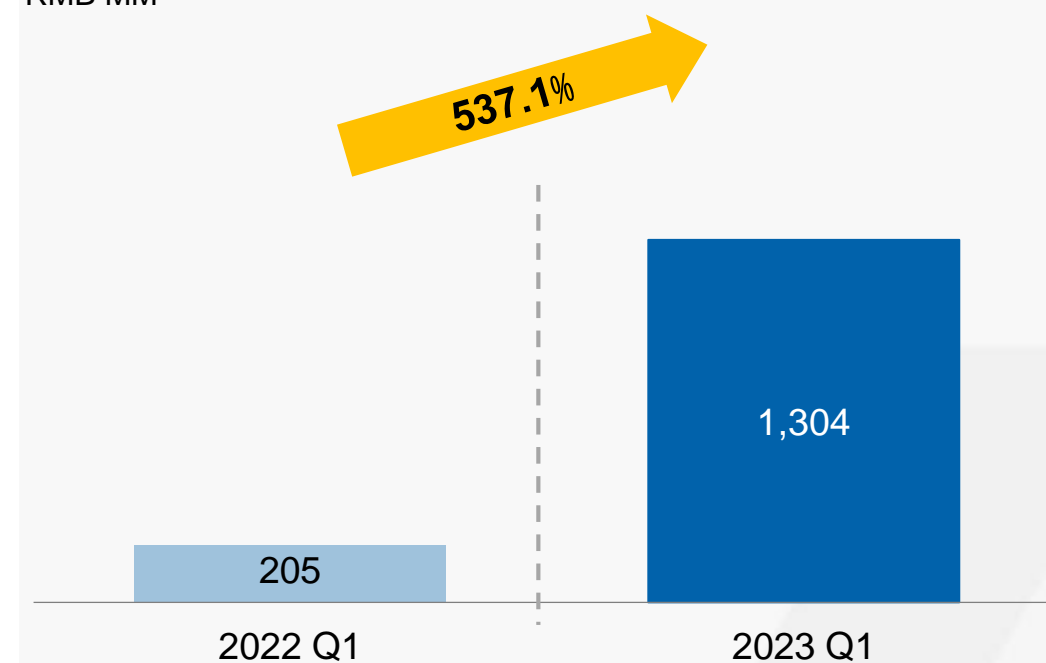
Q1 Gross Profit and Gross Profit Margin

RMB MM



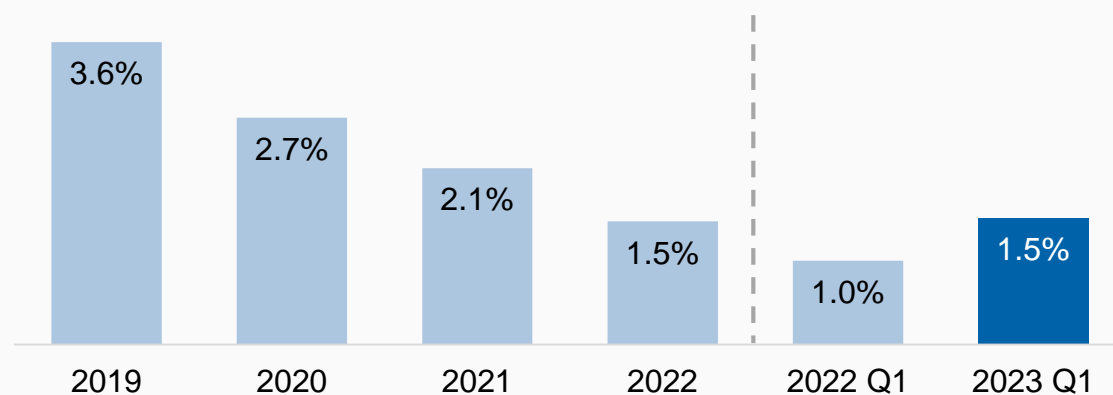
Q1 Cash Flow from Operating Activities

RMB MM

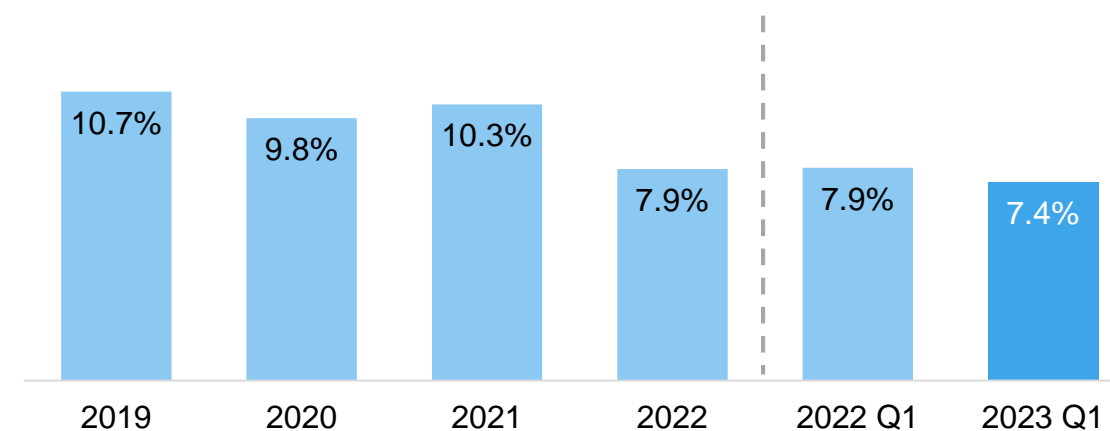


2023 First Quarterly Expenses for the Period

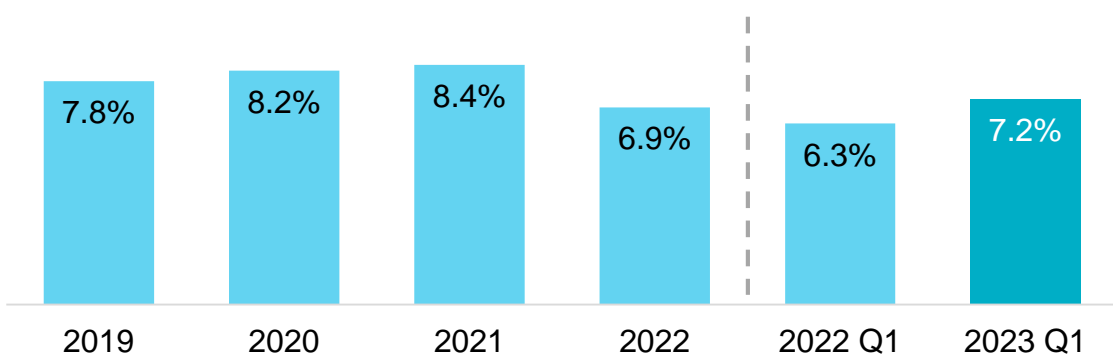
Selling and Distribution Expenses as % of Total Revenue



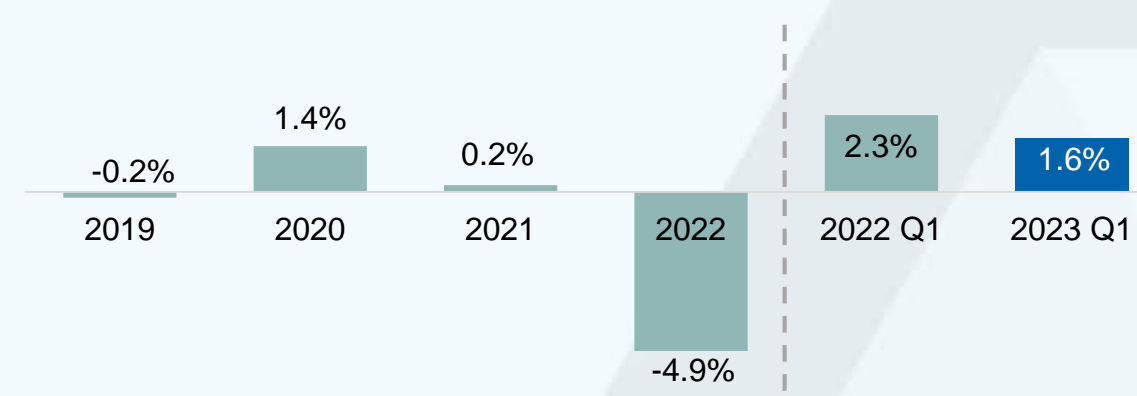
Administrative Expenses as % of Total Revenue

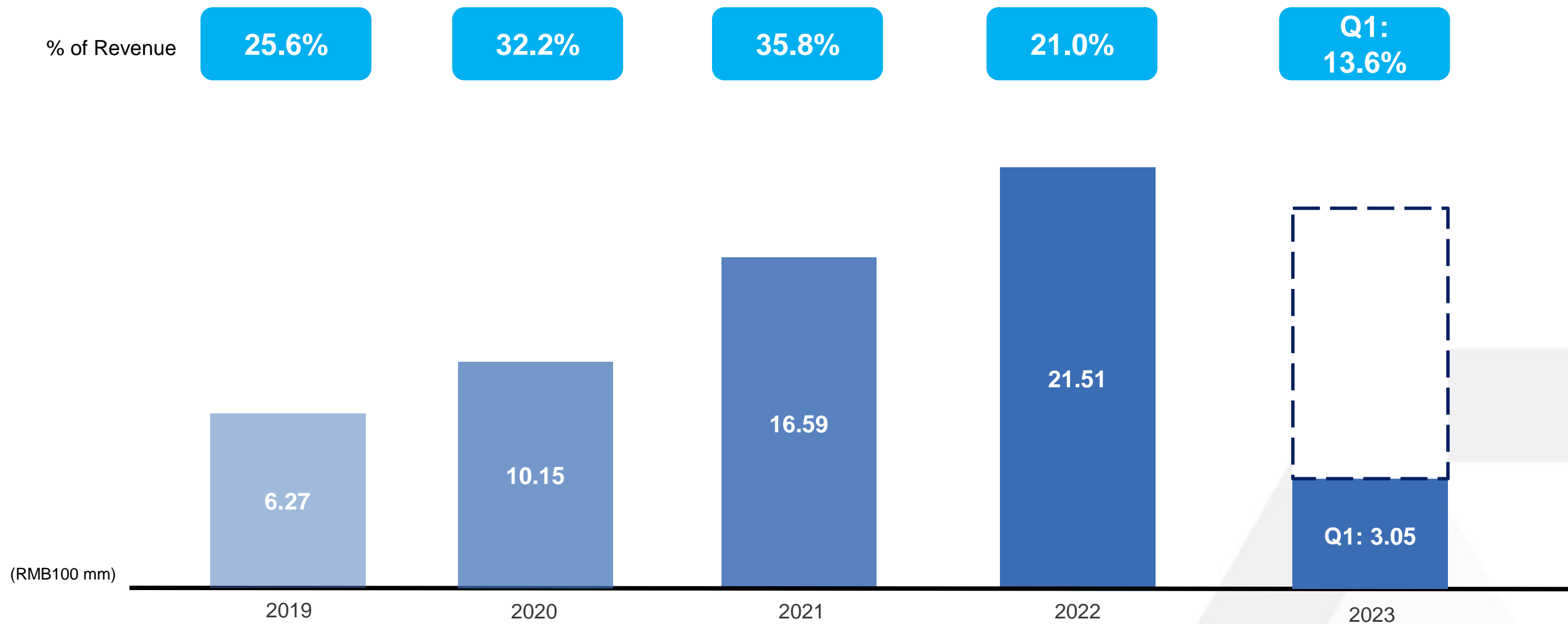


R&D Expenses as % of Total Revenue



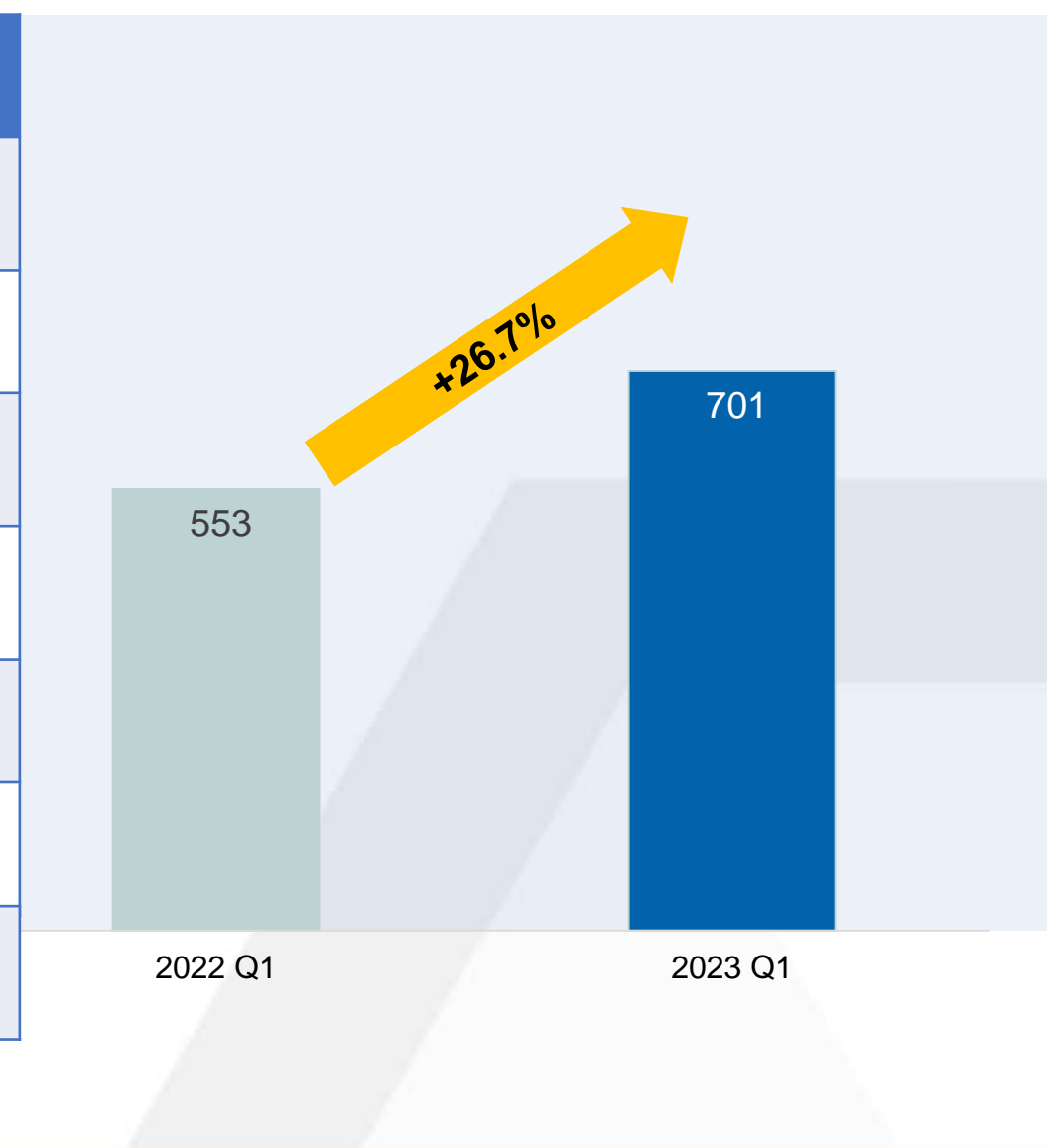
Finance Costs as % of Total Revenue





Improve our fixed asset turnover rate and remain disciplined on capital expenditure;
the full-year CAPEX is expected to be 15%-20% of the revenue

(RMB MM)	2023 Q1	2022 Q1
Net Profit Attributable to Shareholders of the Parent	630	499
Additions:		
Amortization expenses of share-based compensation	3	18
Gain or loss on exchange rate fluctuations	80	46
Income tax effect	(12)	(10)
Adjusted Net Profit Attributable to Shareholders of the Parent	701	553
Adjusted Net Profit Margin Attributable to Shareholders of the Parent	31.2%	26.9%



Appendix



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Q1 2023	Q1 2022
Total operating revenue	2,249	2,062
Operating cost	(1,160)	(1,129)
Gross Profit	1,089	933
Tax and surcharges	(9)	(10)
Selling expenses	(34)	(21)
Management expenses	(166)	(163)
R&D expenses	(162)	(131)
Finance cost	(37)	(48)
Add: Other income	17	8
Gain from investment (loss is represented by “-”)	1	11
Gains from change in fair value (loss is represented by “-”)	(1)	(1)
Impairment loss of credit (loss is represented by “-”)	12	(8)
Operational profit (loss is represented by “-”)	710	570
Less: Non-operating expense	-	(3)
Total profit (total loss is represented by “-”)	710	567
Less: Income tax expense	(82)	(68)
Net profit (net loss is represented by “-”)	628	499
1. Net profit attributable to the shareholders of the parent	630	-
2. Minority interests	(2)	-
Additions:		
Amortization expenses of share-based compensation	3	18
Gain or loss on exchange rate fluctuations	80	46
Income tax effect	(12)	(10)
Adjusted net profit attributable to shareholders of the parent	701	553

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Q1 2023	2022
Current Assets:		
Cash and bank balances	5,887	5,290
Financial assets held for trading	2,524	2,151
Accounts receivable	1,992	2,451
Prepayments	42	110
Other receivables	131	119
Inventories	1,108	1,510
Contract assets	97	64
Other current assets	196	165
Total current assets	11,977	11,860
Non-current assets:		
Long-term equity investments	277	277
Other non-current financial assets	139	113
Fixed assets	3,898	3,623
Construction in progress	924	1,073
Right-of-use assets	118	124
Intangible assets	470	473
Goodwill	146	146
Long-term prepaid expenses	135	135
Deferred income tax assets	211	178
Other non-current assets	251	237
Total non-current assets	6,569	6,379
Total assets	18,547	18,239

CONSOLIDATED STATEMENT OF FINANCIAL POSITION_(continued)

	Q1 2023	2022
Current liabilities:		
Financial liabilities held for trading	2	-
Accounts payable	371	569
Contract liabilities	342	277
Staff remuneration payable	120	349
Taxes payable	120	117
Other payables	793	836
Non-current liabilities due within one year	25	28
Other current liabilities	-	1
Total current liabilities	1,773	2,177
Non-current liabilities:		
Lease liabilities	110	110
Deferred income	178	168
Deferred income tax liabilities	116	89
Total non-current liabilities	404	367
Total liabilities	2,177	2,544
Owners' equity:		
Share capital	370	370
Capital reserve	10,151	10,143
Less: Treasury shares	1,201	1,247
Other comprehensive income	11	17
Surplus reserve	209	209
Retained earnings	6,785	6,155
Minority interests	45	48
Total owners' equity	16,370	15,695