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**Ascletis Pharma Inc.**

**歌禮製藥有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1672)**

## **POSITIVE PROFIT ALERT**

This announcement is made by Ascletis Pharma Inc. (the “**Company**”) pursuant to Rule 13.09(2) (a) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, as compared with a gross loss of approximately RMB23.5 million for the year ended December 31, 2020, the Company and its subsidiaries (the “**Group**”) expect to record a turnaround from a gross loss to a gross profit for the year ended December 31, 2021 and record a gross profit ranging from approximately RMB38.5 million to RMB40.1 million, representing an increase of approximately 264% to 270%. The Group expects to record a revenue ranging from approximately RMB76.1 million to RMB77.6 million for the year ended December 31, 2021, representing an increase of approximately 117% to 122%, as compared with a revenue of approximately RMB35.0 million for the corresponding year ended December 31, 2020.

Such increases were mainly attributable to:

- (i) the stable increase in promotion service revenue of Pegasys® (a marketed drug for CHB) and the on-going cost-effective strategy on this promotion service;
- (ii) the increased revenue from the collaboration partner; and
- (iii) the improved inventory management.

The Group expects to record a net loss ranging from approximately RMB190.3 million to RMB200.2 million for the year ended December 31, 2021, representing a decrease of approximately 4% to 9%, as compared with a net loss of approximately RMB209.2 million for the year ended December 31, 2020, despite of the Group’s increased research and development (R&D) investment, especially for antiviral drug candidates of COVID-19 and hepatitis B virus (HBV) functional cure.

The Company is still in the process of finalizing the annual results of the Group for the year ended December 31, 2021. The information contained in this announcement is based solely on the preliminary assessment of the Group's unaudited consolidated management accounts for the year ended December 31, 2021 and is subject to finalization and other potential adjustments, if any, and has not been reviewed or confirmed by the Group's auditors or the audit committee of the Board.

Shareholders and potential investors of the Company should refer to the Group's annual results announcement for the year ended December 31, 2021, which is expected to be published by the end of March 2022.

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

By order of the Board  
**Asclepis Pharma Inc.**  
歌禮製藥有限公司  
**Jinzi Jason WU**  
*Chairman*

Hangzhou, the People's Republic of China  
February 27, 2022

*As at the date of this announcement, the Board comprises Dr. Jinzi Jason WU and Mrs. Judy Hejingdao WU, as executive Directors; and Dr. Yizhen WEI, Mr. Jiong GU and Ms. Lin HUA, as independent non-executive Directors.*