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INNOCARE

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InnoCare Pharma Limited

諾誠健華醫藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9969)

INSIDE INFORMATION ANNOUNCEMENT

FINANCIAL INFORMATION IN RELATION TO RMB SHARE PROSPECTUS AND ESTIMATED PRELIMINARY RANGE OF FINANCIAL RESULTS FOR THE NINE MONTHS ENDING 30 SEPTEMBER, 2022

This announcement is made by InnoCare Pharma Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s announcements dated 11 March 2021, 26 May 2021, 13 September 2021, 13 April 2022, 1 June 2022, 3 August 2022 and 5 August 2022 and the Company’s circulars dated 3 June 2021, 18 May 2022 and supplemental circular dated 6 June 2022 (the “**Circulars**”) in relation to, among others, the RMB Share Issue. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circulars.

The Company has submitted the updated prospectus in connection with its application for the RMB Share Issue (the “**RMB Share Prospectus**”) to the Shanghai Stock Exchange (the “**SSE**”). According to the relevant regulations of the PRC, the RMB Share Prospectus and related materials have been published on the website of the Review and Approval of the Issuance of Listing of Stocks on the Sci-Tech Innovation Board of the SSE (上交所科創板股票發行上市審核網站) at kcb.sse.com.cn on 22 August 2022, and became available to the public on the same date. The RMB Share Prospectus contains, among other things, (i) the consolidated financial statements of the Group for the six months ended 30 June 2022 (the “**Consolidated Financial Statements**”), and (ii) an estimated forecast of the preliminary range of certain financial results expected of the Company for the nine months ending 30 September 2022 (the “**Estimated Range of Financial Results**”).

The Consolidated Financial Statements is set out in the section headed “XVII. Key Financial Information and Operating Conditions after the Ending Date of the Audited Financial Report” under the “Section VIII – Financial Information and Management Analysis” in the RMB Share Prospectus. The Consolidated Financial Statements were prepared in accordance with the China Accounting Standards for Business Enterprises and have been reviewed but not audited by Ernst & Young Hua Ming LLP. The Company confirmed that there is no significant difference between the net assets and net loss in the summary of the Consolidated Financial Statements and those set out in the Company’s announcement dated 19 August 2022 in relation to, among others, the Group’s interim results for the six months ended 30 June 2022.

The development of the Group’s principal business and major products as at 31 December 2021 and from 31 December 2021 to the latest practicable date prior to the publication of the RMB Share Prospectus is set out in the section headed “I. Principal business of the Issuer and the Basic Information of Major Products” under the “Section VI – Business and Technology” in the RMB Share Prospectus.

Further, as required by the listing rules of the SSE and the applicable securities laws and regulations of the PRC, the RMB Share Prospectus also contains the Estimated Range of Financial Results as set out in the section headed “XVII. Key Financial Information and Operating Conditions after the Ending Date of the Audited Financial Report” under the “Section VIII – Financial Information and Management Analysis”, which is prepared in accordance with the China Accounting Standards for Business Enterprises – Basic Standard and other applicable PRC accounting rules, guidance and interpretations and presented below in RMB, and is only based on preliminary calculations made by the Company subject to further changes and have not been reviewed, audited nor performed any procedures thereabout by Ernst & Young Hua Ming LLP. Accordingly, Ernst & Young Hua Ming LLP does not express an opinion or any other form of assurance with respect thereto.

The Company wishes to highlight to its Shareholders and potential investors that the Estimated Range of Financial Results are in place solely for the purpose of satisfying any applicable listing rule requirement of the SSE and securities laws and regulations of the PRC and therefore are not intended to and do not constitute, or form a profit forecast under Rule 14.62 of the Listing Rules, or otherwise a performance commitment of the Group. Shareholders and potential investors are cautioned not to rely on any of the Estimated Range of Financial Results when making investment decisions in the Shares.

The Estimated Range of Financial Results are as follows:

For the nine months ended 30 September 2021, the Company’s revenue was approximately RMB981,429,700; while the Company’s revenue for the same period of 2022 is estimated to be RMB401,000,000 to RMB490,000,000, representing a year-on-year decrease of 50.07% to 59.14%. The decrease is mainly due to that the Company entered into a licensing cooperation with Biogen MA Inc. and Biogen International GmbH (together with Biogen MA Inc., “**Biogen**”) in respect of Orelabrutinib in the same period last year, resulting in a higher recognized revenue from the license-out. For the nine months ended 30 September 2021, the Company’s net profit attributable to owners of the parent company amounted to approximately RMB87,911,300; while the Company’s net losses attributable to owners of the parent company for the nine months ending 30 September 2022 are estimated to be RMB544,000,000 to RMB664,000,000, representing a decrease of 718.81% to 855.31% in net profit as compared to the same period last year. For the nine months ended 30 September 2021, the Company’s net profit attributable to owners of the parent company

after deducting non-recurring gains and losses amounted to approximately RMB108,855,000; while the net losses attributable to owners of the parent company after deducting non-recurring gains and losses for the nine months ending 30 September 2022 are estimated to be RMB572,000,000 to RMB699,000,000, representing a decrease of 625.47% to 742.14% in net profit as compared to the same period last year. The main reasons of the decrease are that (i) the Company and Biogen entered into a licensing cooperation regarding Orelabrutinib in the same period last year, resulting in a higher recognized revenue from the license-out; and (ii) the Company expects that a relatively high amount of unrealized exchange losses will be recorded for the nine months ending 30 September 2022, which is subject to certain fluctuation as the relevant forecast is based on the Company's estimates of exchange rates.

The English version of the above key financial performance estimates is the unofficial translation of their Chinese version. In case of any inconsistency, the Chinese version shall prevail.

For more details of the RMB Share Issue, please refer to the RMB Share Prospectus published on the website of the SSE (www.sse.com.cn) on 22 August 2022, and became available to the public on the same date.

Shareholders and potential investors of the Company should be aware that there is no assurance that the RMB Share Issue will materialise or as to when it may materialize which will depend on, among other things, market conditions at the relevant time. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. Further announcement(s) will be made to disclose any material updates and developments in respect of the RMB Share Issue in accordance with the Listing Rules and other applicable laws and regulations as and when appropriate. This announcement is for information only and is not intended to and does not constitute, or form part of, an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

By order of the Board
InnoCare Pharma Limited
Dr. Jisong Cui
Chairperson and Executive Director

Hong Kong, 22 August 2022

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Jisong Cui as Chairperson and executive Director, Dr. Renbin Zhao as executive Director, Dr. Yigong Shi, Mr. Shan Fu, Mr. Ronggang Xie and Mr. Ming Jin as non-executive Directors, and Dr. Zemin Zhang, Ms. Lan Hu and Dr. Kaixian Chen as independent non-executive Directors.