



遠大醫藥集團

GRAND PHARMACEUTICAL GROUP

Grand Pharmaceutical Group Limited

遠大醫藥集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00512)

## Grand Pharma Announces 2022 Interim Results

### Continue to Deepen Technological Innovation, Profitability Improved Steadily

- *During the Period, the Group recorded revenue of HKD5.21 billion, representing an increase of 14.1% YoY;*
- *The Group's investment in R&D and various projects during the Period was approximately HKD1.60 billion, achieving 19 R&D milestones, including 14 innovative products;*
- *During the Period, the Group fully promoted the synergistic development of the three core business areas, pharmaceutical technology, nuclear medicine anti-tumor diagnosis and treatment and cerebro-cardiovascular precision interventional diagnosis and treatment technology and biotechnology.*

(August 10, 2022 - Hong Kong) Grand Pharmaceutical Group Limited (“**Grand Pharma**” or the “**Company**”, together with its subsidiaries, the “**Group**”, stock code: 00512) is pleased to announce the Group's unaudited interim results for the six months ended 30 June 2022 (the “**first half of the year**” or the “**Period**”).

During the Period, the Group fully promoted the synergistic development of the three core business areas, pharmaceutical technology, nuclear medicine anti-tumor diagnosis and treatment and cerebro-cardiovascular precision interventional diagnosis and treatment technology and biotechnology. It recorded revenue of HKD5.21 billion, representing an increase of 14.1% as compared with same period last year (“**YoY**”). Net profit for the Period attributable to owners of the Company (excluded the value changes of investment in Telix) amounted to approximately HKD1.09 billion, representing an increase of 20.1% YoY.

#### **Core Business Areas**

##### ***Pharmaceutical Technology:***

During the Period, the Group recorded revenue of approximately HKD3.60 billion in the field of pharmaceutical technology, representing an increase of 7.5% YoY.

Among which, the Group's ophthalmology segment recorded revenue of HKD660.88 million, representing an increase of 14.7% YoY. The Group has nearly 30 products on sale in the ophthalmology segment, mainly focusing on major indications such as dry eye, retinal

hemorrhage, glaucoma, cataract, anti-inflammation and myopia. It has also reserved four innovative drugs in the direction of clear clinical needs for myopia, dry eye, pterygium and anti-inflammatory and pain relief after ophthalmology surgery. In the future, the segment will adhere to the development strategy of “leading by the blockbuster innovative drugs and devices, and based on the products of the public eye care ecosystem”, continuously strengthen the influence of the industry, and achieve new breakthroughs in the business field.

The Group’s respiratory, severe and disease and anti-infection segment recorded revenue of HKD1.05 billion, representing an increase of 10.7% YoY. The Group has nearly 10 products on sale in the respiratory and severe disease anti-infection segment, covering a wide range of indications such as rhinitis, pharyngitis, bronchitis and pneumonia. Based on unmet clinical needs, it has also reserved four global innovative drugs for the indications of seasonal allergic rhinitis, sepsis, ARDS, COVID-19 and parainfluenza. During the Period, the small molecule compound with a novel mechanism of action independently developed by the Group, STC3141’s three clinical studies worldwide have all made significant progress. It is expected that in the second half of 2022, the Group will have two global innovative inhalers for the treatment of asthma to step into commercialization stage, of which are dual combination and triple combination respectively. In the future, the Group will continue to adopt the R&D concept of independent R&D and global expansion to create a full-cycle management product cluster for chronic airway diseases and a pipeline of anti-infection products for severe diseases, so as to continuously strengthen the Group’s industry position in this field.

The Group’s cerebro-cardiovascular emergency segment has reserved 24 varieties, 14 of which are included in the national emergency drugs catalogue and 16 of which are included in the shortage drugs catalogue. There are more than 20 products under research in the segment. Among which, the pre-filled epinephrine auto-injector can be used for self or family or social treatment for severe allergic reactions, filling the gap in China, and the Investigational New Drug (“IND”) application of the product was accepted by the National Medical Products Administration of the People’s Republic of China (the “NMPA”) in July 2022. In the future, the Group will continue to focus on the three major emergency scenarios, namely in-hospital emergency, pre-hospital emergency and social emergency, and allocate and develop emergency products that are in urgent clinical need.

The Group mainly focuses on immunotherapy and creates a brand-new tumor immunotherapy product offering, such as mRNA immunotherapy, DNA immunotherapy, oncolytic virus, etc., to solve the problem of ineffective and drug resistance of tumor immunotherapy. It now has reserved three global innovative products.

***Nuclear Medicine Anti-tumor Diagnosis and Treatment as well as Cerebro-cardiovascular Precision Interventional Diagnosis and Treatment Technology:***

By fully capitalizing “accurate and stable business development capabilities at home and abroad, the introduction and digestion of international leading technologies, excellent marketing and sales capabilities”, the Group is aiming at the frontier areas of technological innovation and focusing on the layout of the “nuclear medicine anti-tumor diagnosis and treatment” and “cerebro-cardiovascular precision interventional diagnosis and treatment” segments. It has become a leading enterprise in nuclear medicine anti-tumor diagnosis and treatment in China, and a comprehensive cerebro-cardiovascular interventional diagnosis and

treatment technology platform with international cutting-edge technologies.

In the nuclear medicine anti-tumor diagnosis and treatment segment, the Group has achieved a comprehensive strategic plan in the fields of R&D, production, sales, regulatory qualifications and established a complete industrial chain. The nuclear medicine anti-tumor diagnosis and treatment platform is the Group's high-end technology platform in the field of anti-tumor. The high-end technology platform that the Group focuses on building, the nuclear medicine anti-tumor diagnosis and treatment platform has more than 400 employees, with approximately 35% of them holding master's degrees and doctoral degrees, and is one of the most globalized segments of the Group. The segment has reserved 13 innovative products, covering 6 nuclides as well as 8 cancers including liver cancer and prostate cancer, etc. During the Period, the Group's blockbuster global innovative product Yttrium-90 resin microsphere injections successfully commercialized in Mainland China. A total of 7 academicians from the Chinese Academy of Engineering and the Chinese Academy of Sciences, 30 experts at committee chairperson level, and 500 professors from leading tertiary hospitals in China attended its commercialization conference. At present, the Group has trained more than 300 doctors in 70 hospitals on the surgery theory or skills of Yttrium-90 resin microsphere injections, and two patients have successfully achieved clinical cure of liver cancer. In addition, the IND applications in China of TLX591-CDx and TLX250-CDx, two of the Group's diagnostic radionuclide-drug conjugate ("RDC"), were submitted and accepted by NMPA, and it is expected that the IND applications in China of TLX591 and TLX250, two of the Group's therapeutic RDC, will be submitted by the end of this year.

In the field of cerebro-cardiovascular precision interventional diagnosis and treatment segment, the Group adheres to the treatment concept of "interventional without implantation" and conducts comprehensive layout in three directions, namely channel management, structural heart disease, electrophysiology and heart failure, to build a high-end medical device product cluster. At present, the segment has reserved 16 products, of which 3 products in vascular intervention have been approved for commercialization in China. The Group's first self-developed and self-produced innovative global neurointerventional product, the OTW (Over The Wire) intracranial balloon dilatation catheter Cai Yu® (彩鹂®), was approved for commercialization in China, and the NDA application for NOVASIGHT was submitted and accepted in June 2022. During the Period, the Active Equipment R&D and Production Base in Optics Valley, Wuhan and the Passive Equipment R&D and Production Base in Changzhou have been put into use.

**Biotechnology:**

The Group pursues the concept of green, low-carbon and sustainable development and promotes high-quality development of the segment with the world's leading innovative technology in synthetic biotechnology. The amino acid products are the core business in the field of biotechnology, and it is positioned as a global premium supplier of high-quality amino acids. During the Period, the Group's amino acid segment recorded revenue of approximately HKD1.25 billion, representing an increase of 40.3% YoY.

The Group has been cultivating in the field of amino acids for more than 20 years and has always adhered to the spirit of technological innovation. It currently holds 95 invention patents and has promoted the formulation of nearly 40 national industry standards. With

synthetic biology as the core, the Group first pioneered a world-leading innovative technology in China based on biological method to produce various amino acids, which filled the gap in the industry. The Group's core product cysteine series ranked first in the world in terms of both market share and production capacity, and the production capacity of taurine ranked second in the world. Benefiting from the strategy of further expanding international business and big health business, the Group achieved sustained rapid growth in the field of amino acid in recent years.

The Group always adheres to the core business concept of "new technology, high quality, full industry chain, and internationalization", continuously enhancing the expansion in amino acid industry, and taking advantage of its industrial superiority based on pharmaceutical grade amino acids to extend into diversified amino acids. In the future, the Group will continue to leverage its world-leading innovative process based on biological method in the field of high-quality amino acids, and its solid industrial foundation, industrial accumulation, rich amino acid product portfolio, high-standard quality certification system, powerful international registration and commercialization capacity to continuously deepen the strategic plan of high-quality amino acid industry.

#### **Innovative R&D Strength**

In terms of innovative R&D, The Group's investment in R&D and various projects during the Period was approximately HKD1.60 billion; it achieved 19 R&D milestones, including 14 innovative products; there were accumulatively 114 projects under research and 46 innovation projects, which were in different stages from preclinical to new drug commercialization application. The pipeline layout was reasonable, forming a good echelon effect.

Focusing on mRNA, DNA, Glycomics, tumor intervention, RDC and high-end medical device R&D technologies, the Group has deployed 9 R&D technology platforms and 10 R&D centers around the world. The Group now has more than 630 R&D personnel, with more than 60% of them holding master's degrees and doctoral degrees.

#### **Commercialization Capability**

The Group now has over 3,800 sales personnel, covering over 20,000 hospitals and more than 200,000 pharmacies in China. And its global sales network covering more than 60 countries and regions

**The Board of Grand Pharmaceutical Group Limited**, commented, "In the future, the Group will continue to adhere the principles of meeting the needs of patients, adapting to market development and insisting on technological innovation as well as the development concept of 'comprehensive strengths, innovation leading and global expansion' and the strategy of 'dual-wheel driving development of independent R&D, global expansion and dual-cycle operation', forming a new pattern of domestic and international cycles that synergize with each other, and is committed to becoming an international pharmaceutical company of technological innovation, delivering on its promises for doctors and patients, and making significant contribution to the society."

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**About Grand Pharmaceutical Group Limited (00512):**

Grand Pharmaceutical Group Limited is a technologically innovative international pharmaceutical enterprise. Its core businesses cover three major areas, namely pharmaceutical technology, nuclear medicine anti-tumor diagnosis and treatment and cerebro-cardiovascular precision interventional diagnosis and treatment technology and biotechnology. The Group has strong technological innovation strength, outstanding internationalization strength, solid industrial foundation, complete industrial chain and significant comprehensive advantages in the integration of raw materials and preparations. Based on the pharmaceutical and biotechnology industries, the Group will focus on the needs of patients, and take technological innovation as the driving force. In response to the unmet clinical needs, the Group will increase its investment in global innovative products and advanced technologies, enrich and improve its product pipelines, consolidate and strengthen its industrial chain layout, and fully leverage the Group's industrial strengths and R&D capabilities to provide more advanced and diverse treatment solutions to patients worldwide.

For further information, please refer to Grand Pharma's website at <http://grandpharm.com/>

*\* For identification purpose only*