



**The United Laboratories International Holdings Limited  
Announces 2024 Interim Results**

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**Net profit grew by 16.1% to RMB1,491.4 million  
Interim dividend increased by 33.3% to RMB16 cents per share**

**Financial Highlights**

(RMB million)	For the six months ended 30 June		
	2024	2023	Change
Revenue	<b>7,175.8</b>	6,906.5	+3.9%
Gross profit	<b>3,344.3</b>	3,213.3	+4.1%
EBITDA	<b>2,231.9</b>	1,953.8	+14.2%
Profit attributable to shareholders of the Company	<b>1,491.4</b>	1,284.5	+16.1%
Basic earnings per share (RMB cents)	<b>82.08</b>	70.69	+16.1%
Interim dividend per share (RMB cents)	<b>16.0</b>	12.0	+33.3%

(29 August 2024 - Hong Kong) **The United Laboratories International Holdings Limited** (“TUL”, the “Company” or the “Group”; Stock code: 3933), one of the leading pharmaceutical product manufacturers in China, announced its interim results for the six months ended 30 June 2024 (the “Period”).

During the Period, the Group recorded a revenue of RMB7,175.8 million, representing a year-on-year increase of 3.9%. Gross profit was RMB3,344.3 million, up by 4.1% year on year. EBITDA was RMB2,231.9 million, representing a year-on-year increase of 14.2%. The significant growth in net profit was attributable to the increased revenue from intermediate products and sustained decline in production costs, leading to increased gross profit; moreover, the decrease in sales and distribution expenses was sufficient to offset research and development costs. Earnings per share were RMB82.08 cents. The Board recommended the payment of an interim dividend of RMB16.0 cents per share for the six months ended 30 June 2024 with a payout ratio of 19.5%, up by 2.5 percentage points year on year.

**Intermediate products and bulk medicines business reach new heights**

During the Period, the intermediate products and bulk medicines segment recorded external sales revenue of RMB1,314.0 million and RMB3,464.1 million, respectively, representing a year-on-year increase of 25.4% and 1.2%, respectively. Overseas export recorded sales of RMB1,427.3 million, representing a year-on-year increase of 4.8%, and accounting for 19.9% of total revenue of the Group. Production costs in upstream sectors continued to improve, further highlighting the Group’s advantages of the industry chain. The Group remains its leading position in the domestic and export markets for intermediate products and bulk medicines.

The Group continued to optimize its industrial structure and implement its transformation and upgrading in the upstream sector. Inner Mongolia Guangda Lianfeng Biotechnology Co., Ltd, a wholly owned subsidiary of the Group, commenced construction in April 2024 for its bio-based long chain dicarboxylic acids new material project, accelerating the Group’s diversified technological innovation and industrial advancement. In addition, the construction of Zhuhai United Laboratories (Gaolan Port) API Project, which was commenced in November 2023, progressed smoothly with topping out of multiple workshop buildings. The project is expected to be completed and put into operation in 2025.

## **Steady transformation of finished products and rapid expansion in animal healthcare**

During the Period, the sales of finished products was RMB2,397.8 million, representing a slight year-on-year decrease of 2.1%. Diabetic drugs recorded gross sales of RMB545.5 million, representing a year-on-year increase of 9.5%. Among them, the human insulin recorded a sales revenue of RMB218.9 million; insulin analogues recorded a sales revenue of RMB326.6 million, maintaining a rapid growth in the sales volume of insulin analogues. During the Period, all insulin products of the Group won the bidding as Category A in the National Centralised Procurement of Pharmaceuticals (specialising renewal in insulin). Compared with the Sixth National Centralised Procurement of Pharmaceuticals (specialising in insulin), the basic purchasing volume has increased significantly by 52.5%. At the same time, all the Group's bidding products in category A will obtain allocated remaining volume.

During the Period, the Group established a Healthcare Products Division and has already laid out four major product lines, which are general dietary supplements, cross-border nutritional supplements, health foods, and medical devices. The current products cover categories such as bone and joint nutrition, intestinal regulation, cardiovascular health, vision protection, and immunity enhancement. The Group not only developed offline channels but also rapidly expanded its presence on e-commerce platforms, live streaming platforms, and new retail platforms, aiming at establishing an iconic brand in the healthcare sector.

The Group sped up the development of animal healthcare business during the Period. The animal healthcare business recorded a sales revenue of RMB671.4 million, representing a year-on-year increase of 25.7%. The Group signed a partnership agreement with New Zealand Riverland Foods Ltd., a pet food manufacturer in New Zealand, during the Period. This collaboration marks the Group's entry into the premium pet food market and will bring high-quality prescription wet food from New Zealand to China. It also signifies the expansion of the Group's veterinary drugs business into international market. In addition, the construction of new animal healthcare business bases is progressing smoothly. The new Inner Mongolia animal healthcare plant has entered the trial operation phase in multiple workshops. The construction of several workshops at Zhuhai United Animal Healthcare Co., Ltd has been capped. The main construction of the plant building at Henan Lianmu Veterinary Medicine Co., Ltd. has been completed, and the construction of supporting and other facilities is underway.

## **Multiple breakthroughs in R&D**

The Group has established a comprehensive R&D system characterised by collaborative development among multiple platforms such as biological R&D, chemical drug R&D, innovative drug R&D, animal healthcare R&D, clinical research and external cooperation. The Group has 44 human use new products under development, of which 19 products are class-I new drugs, focusing on endocrine, metabolism, autoimmune, ophthalmology, anti-infection and other fields. There are a total of 60 new products under development in animal healthcare, covering pets, livestock, poultry and aquatic products. In addition, projects such as quality and efficacy consistency evaluation of generic drugs, medical aesthetics and pharmaceutical excipients are also progressing steadily.

During the Period, the Group invested a total of RMB479.4 million in R&D, with a year-on-year increase of 36.9%. For the class-I new drug projects, the first subject was enrolled in the phase II clinical trial of TUL01101 Tablets and TUL01101 Ointment and TUL12101 Eye Drops completed phase I clinical trial. In addition, Semaglutide Injection (diabetes indication) completed the phase III clinical trial and the first subject was enrolled in the phase III clinical trial of Insulin Degludec and Liraglutide Injection.

In terms of quality and efficacy consistency evaluation of generic drugs, during the Period, the Group successively passed the consistency evaluation regarding Imipenem and Cilastatin Sodium for Injection (specifications: 0.5g, 1.0g) and Amoxicillin and Clavulanate Potassium Tablets (specification: 0.375g). The Group will continuously advance the new drug R&D and consistency evaluation so as to provide safe and high-quality drug choices for patients.

Looking ahead, **Mr. Tsoi Hoi Shan, Chairman of the Group** concluded that, “Against the backdrop of deepening reform of the medical and health system, the Group will consolidate its core industrial advantages, strengthen the vertically integrated industrial layout and continue to improve the scientific research and innovation capabilities. Meanwhile, we will constantly optimise the diversified business presence and allocation of resources, to achieve sustainable development in the long term. Looking ahead, the Group is confident that it will keep consolidating and enhancing its position and influence in the pharmaceutical industry in China amid the wave of industry changes, and strive to create more value for shareholders and the society.”

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#### **Company Information**

TUL is one of the leading comprehensive pharmaceutical companies in China, principally engaged in the R&D, manufacturing and selling of drugs. Adhering to the corporate mission of "Making Life More Valuable", TUL has extended its product mix from antibiotics since its establishment to the fields of biopharmaceuticals and animal healthcare, and continues to optimize its vertically integrated business model. Currently, the Group has seven production bases covering pharmaceutical intermediate products, bulk medicines, finished products, veterinary drugs, empty capsules and medical devices, with a global sales network. TUL is presently a constituent of the Hang Seng Composite Index Series and maintains MSCI ESG rating at A, which is an industry-leading rating.

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