

FQ&A:**Q1 : Please briefly introduce The United Laboratories (03933HK)?**

A: TUL is a comprehensive pharmaceutical group integrating R&D, production and operation of intermediates, bulk medicines (APIs), biological and finished products, also is the largest 6-APA and Amoxicillin bulk medicine supplier in the worldwide. We operate 6 production plants, own several excellent sales teams for APIs and finished products as well as marketing networks situated in China and overseas. TUL has 188 products obtained Drug Registration Approvals and our key antibiotic products such as Amoxicillin Capsules and Ampicillin Capsules ranked No.1 for several consecutive years. All of our production plants for bulk medicines and finished products have obtained cGMP certificates, and a number of products also have passed the inspections by EU COS and US FDA. TUL was the first domestic company got enzymatic amoxicillin CEP certificate granted by EDQM in China. The Group has obtained a number of scientific and technological achievements and our products helped to fill the gap in the domestic market. As a domestic pharmaceutical company with both second-generation and third-generation insulin products in China, the Group's recombinant human insulin injection, insulin glargine injection and insulin aspart injection have all been approved for marketing.

Q2: What is the production capacity and utilization rate?

A: As the end of Dec. 31, 2021, the production capacity and utilization rate of intermediate products and bulk medicine were listed as below.

	Designed Capacity	Utilization Rate
Intermediate products (Tonnes)		
6-APA	18,000	90.8%
Penicillin G Potassium First Crystal (in BOU) #	13,333,333	100.0%
T-Octylammonium Clavulanate	720	65.2%
Bulk medicine (Tonnes)		
Semi-synthetic penicillins type	20,000	87.5%
Cephalosporins type	1,200	56.4%
β-lactamase inhibitor antibiotics type	1,568	76.5%

#It is the market practice to use BOU as the measuring unit of Penicillin G Potassium First Crystal. 1 BOU represents around 0.63kg of this product.

Q3: What are the Group's advantages in R&D?

A: The Group has over 300 researchers covering the areas of chemical pharmaceutical products, biological products, innovative drugs, clinical trials and external cooperation items. There are now 23 new products under development, among which 9 are class I new drug projects. Series of product include those for treatment of internal secretion, autoimmune disease and ophthalmology disease.

Q4: How does the Group's insulin series make progress?

A: The Group continued to aim at the growth potential of insulin products and regarded the Insulin series as a key product. Since the launch of Insulin series, it achieved a strong sales performance and recorded remarkable sales of RMB1,434 million in 2021. It is expected that the market share of insulin products will continue to increase in the future.

Q5: What's the pipeline of the TUL's therapeutic drugs for diabetes?

A: The related R&D progresses were listed as below.

New products	Main curative effects	R&D progress
Liraglutide Injection	For treatment of type II diabetes	Clinical-trial
Insulin Degludec Injection	For treatment of type I & II diabetes	Clinical-trial
Insulin Degludec-Insulin Aspart Injection	For treatment of type I & II diabetes	Clinical Trial Registration
Insulin Degludec-Liraglutide Injection	For treatment of type I & II diabetes	Pre-clinical-trial
Semaglutide Injection	For treatment of type II diabetes	Clinical Trial Registration
Gastrointestinal Hormones	For treatment of type II diabetes	Pre-clinical-trial
Second-generation Gastrointestinal Hormones	For treatment of type II diabetes	Pre-clinical-trial
GLP-1 Oral Preparation	For treatment of type II diabetes	Pre-clinical-trial
Ultra Long-acting Insulin Analog	For treatment of type I & II diabetes	Pre-clinical-trial

Q6: What's the impact for new medical policies?

A: During the year of 2021, the bid for Sixth Batch of National Centralized Procurement of Pharmaceuticals (specializing in Insulin) was opened, and all six groups of insulin products of the Group won the bidding, involving human insulin and insulin analogues in mealtime, basal and premixed groups. The centralized procurement is the first expansion of national drug centralized procurement into the field of biological products. The Group will take advantage of the opportunity of the national centralized drug procurement to expand the sales of insulin products, increase the market share of products, enhance the brand influence, benefit the vast number of diabetic patients, and accelerate the domestic substitution process in the field of diabetes.