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北京市春立正達醫療器械股份有限公司
Beijing Chunlizhengda Medical Instruments Co., Ltd.*
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1858)

INSIDE INFORMATION 2022 PRELIMINARY RESULTS ANNOUNCEMENT

This announcement is made by Beijing Chunlizhengda Medical Instruments Co., Ltd.* (the “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Please also refer to the overseas regulatory announcement of the Company dated 27 February 2023.

The major financial data for the year 2022 contained in this announcement is preliminary accounting data, which has not been audited by an accounting firm and is subject to the 2022 annual report of the Company. Investors are advised to pay attention to investment risks.

1. KEY FINANCIAL DATA AND INDICATORS FOR THE YEAR 2022

Unit: RMB

Item	Reporting period	Corresponding period of last year	Increase/decrease (%)
Total operating revenue	1,201,594,333.99	1,108,139,520.61	8.43
Operating profit	334,428,206.70	367,591,655.59	-9.02
Gross profit	332,399,208.45	367,378,723.41	-9.52
Net profit attributable to owners of the parent company	303,752,412.58	322,360,736.79	-5.77
Net profit attributable to owners of the parent company after deducting non-recurring profit or loss	270,241,928.67	307,692,992.48	-12.17
Basic earnings per share (RMB)	0.79	0.93	-15.05
Weighted average returns on net assets	11.71%	25.98%	Decreased by 14.27 percentage points

Item	At the end of the reporting period	At the beginning of the reporting period	Increase/decrease (%)
Total assets	3,418,628,283.01	2,999,657,361.45	13.97
Owners' equity attributable to the parent company	2,715,733,046.65	2,469,077,386.48	9.99
Share capital	384,280,000.00	384,280,000.00	-
Net assets per share attributable to owners of the parent company (RMB)	7.07	6.43	9.95

Notes: 1. The data as at the beginning of the reporting period is the same as the data statutorily disclosed as at the end of last year.

2. The above financial data and indicators are based on the data from the consolidated financial statements but are not audited. The final results included in the 2022 annual report of the Company shall prevail.

2. EXPLANATION OF THE OPERATING RESULTS AND FINANCIAL POSITION

During the reporting period, the Company achieved a total operating revenue of RMB1,201,594,333.99, representing a year-on-year increase of 8.43%; operating profit of RMB334,428,206.70, representing a year-on-year decrease of 9.02%; gross profit of RMB332,399,208.45, representing a year-on-year decrease of 9.52%; net profit attributable to owners of the parent company of RMB303,752,412.58, representing a year-on-year decrease of 5.77%; net profit attributable to owners of the parent company after deducting non-recurring profit or loss of RMB270,241,928.67, representing a year-on-year decrease of 12.17%; and basic earnings per share of RMB0.79, representing a year-on-year decrease of 15.05%.

As at the end of the reporting period, the total assets of the Company amounted to RMB3,418,628,283.01, representing an increase of 13.97% as compared to that as at the beginning of the reporting period; owners' equity attributable to the parent company amounted to RMB2,715,733,046.65, representing an increase of 9.99% as compared to that as at the beginning of the reporting period; and net assets per share attributable to owners of the parent company amounted to RMB7.07, representing an increase of 9.95% as compared to that as at the beginning of the reporting period.

During 2022, the Company overcame the effects of external factors, such as changes in domestic and international macro-environments and the volatile COVID-19 epidemic, and in the meantime, the favourable policy of "volume-based procurement" leads to an increase in the sales volume of the key products of the Company, sales volume of spinal products and sports medical products experienced a continuous increase, resulting in a stable and healthy development for the principal business of the Company, and the overall results also achieved a continuous growth.

The Company is having the strategic planning for the mid- to long-term development, and attaches importance to the research and development of new products, new technologies and new processes, and continuously increased the inputs in the research and development. In the meantime, in order to enhance the market share and competitiveness of its products, and expand its marketing channels continuously, the sales volume of new products increased rapidly, while the volume-based procurement of artificial joint caused a decrease in the sales price of relevant products, resulting in a decrease in the profit for the reporting period.

3. RISK WARNING

The Company is not aware of any material uncertainties that will affect the accuracy of the content of this preliminary results announcement.

The major financial data for the year 2022 contained in this announcement is preliminary accounting data and have not been audited by an accounting firm and is subject to the audited 2022 annual report of the Company to be duly disclosed. Investors are reminded of the investment risks.

By order of the Board
Beijing Chunlizhengda Medical Instruments Co., Ltd.*
Chairman
Shi Wenling

Beijing, the PRC, 27 February 2023

As at the date of this announcement, the executive Directors of the Company are Mr. Shi Chunbao, Ms. Yue Shujun, Mr. Xie Feng Bao and Ms. Shi Wenling; the non-executive Director of the Company is Mr. Wang Xin; and the independent non-executive Directors of the Company are Mr. Ge Changyin, Mr. Wong Tak Shing and Mr. Weng Jie.

* For identification purposes only