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## **Sinopharm Tech Holdings Limited**

**國藥科技股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8156)**

### **FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Sinopharm Tech Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries for the three months ended 30 September 2023. This announcement, containing the full text of the First Quarterly Report 2023/2024 of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of quarterly results.

By order of the Board  
**Sinopharm Tech Holdings Limited**  
**國藥科技股份有限公司**  
**CHAU Wai Wah Fred**  
*Executive Director*

Hong Kong, 14 November 2023

*As at the date of this announcement, the Board comprises Mr. CHAU Wai Wah Fred, Mr. HO Kam Kin and Ms. KWOK Shuk Yi as executive Directors, Dr. CHENG Yanjie as non-executive Director and Mr. LAU Fai Lawrence, Mr. HSU Dong An and Mr. HEUNG Pik Lun as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at <https://www.hkgem.com> for a minimum period of 7 days from the date of its publication and on the website of the Company at <http://www.sinopharmtech.com.hk>.*

## CHARACTERISTICS OF GEM (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “**Directors**”) of Sinopharm Tech Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

## QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2023

### RESULTS

The board of Directors of the Company (the “**Board**”) announces that the unaudited consolidated financial results of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 September 2023 (the “**Period 2023**”), together with the comparative unaudited figures for the corresponding period in 2022 (the “**Period 2022**”), are as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		(Unaudited) Three months ended 30 September	
	<i>Notes</i>	2023 HK\$'000	2022 HK\$'000
Revenue	2	3,991	5,627
Cost of sales and services		<u>(2,357)</u>	<u>(4,127)</u>
Gross profit		1,634	1,500
Other income and gains	3	—	10,679
Selling and distribution expenses		(175)	(82)
Administrative and operating expenses		(2,182)	(5,257)
Share of loss of associates		—	<u>(531)</u>
<b>Operating (loss)/profit</b>		<b>(723)</b>	6,309
Finance costs		<u>(898)</u>	<u>(1,815)</u>
<b>(Loss)/Profit before tax</b>	4	<b>(1,621)</b>	4,494
Income tax expense	5	—	—
<b>(Loss)/Profit for the period</b>		<b><u>(1,621)</u></b>	<b><u>4,494</u></b>
<b>(Loss)/Profit for the period attributable to:</b>			
Equity holders of the Company		<b>(2,343)</b>	4,382
Non-controlling interests		<b>722</b>	<u>112</u>
		<b><u>(1,621)</u></b>	<b><u>4,494</u></b>


**QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2023**

		(Unaudited) Three months ended 30 September	
		2023 HK\$'000	2022 HK\$'000
<i>Notes</i>			
<b>Other comprehensive (loss)/income for the period, net of tax:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statements of overseas operations		<u>(234)</u>	<u>(509)</u>
<b>Total comprehensive (loss)/income for the period</b>		<u><b>(1,855)</b></u>	<u>3,985</u>
<b>Total comprehensive (loss)/income for the period attributable to:</b>			
Equity holders of the Company		<u>(2,599)</u>	4,617
Non-controlling interests		<u>744</u>	<u>(632)</u>
		<u><b>(1,855)</b></u>	<u>3,985</u>
		<b>HK Cents</b>	HK Cents (restated)
<b>(Loss)/Earnings per share attributable to equity holders of the Company</b>			
Basic		<u><b>(1.28)</b></u>	2.41
Diluted		<u><b>N/A</b></u>	<u>N/A</u>

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# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 30 September 2023

## 1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited consolidated results have been prepared in accordance with accounting principles generally accepted in Hong Kong which include Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of GEM Listing Rules.

Except as described below, the accounting policies and methods of computation used in the unaudited consolidated financial results for the three months ended 30 September 2023 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2023.

The Group has adopted all of the new and revised standards, amendments and interpretations which are relevant to its operations and effective for the accounting period beginning on 1 July 2023. The adoption of these new and revised standards, amendments and interpretation does not have significant impact on the accounting policies of the Group, and the amounts reported for the current period and prior periods.

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective.

## 2. REVENUE

The principal activities of the Group are provision of (i) internet plus services (solution and supply chain) and (ii) manufacturing and distribution of personal protective equipment.



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 30 September 2023

### 2. REVENUE — CONTINUED

Revenue represents income from the following services rendered by the Group, net of returns, discounts allowed or sales taxes:

	(Unaudited)	
	Three months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
<b>Point in time</b>		
Internet plus services (supply chain)		
— Trading of goods	3,991	3,547
Manufacturing and distribution of personal protective equipment	—	2,080
	<u>3,991</u>	<u>5,627</u>
Total	<u><b>3,991</b></u>	<u><b>5,627</b></u>

### 3. OTHER INCOME AND GAINS

	(Unaudited)	
	Three months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
Compensation income from sales of locked-up consideration shares ( <i>Note a</i> )	—	9,785
Government subsidies ( <i>Note b</i> )	—	311
Others	—	583
	<u>—</u>	<u>10,679</u>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended 30 September 2023

**3. OTHER INCOME AND GAINS — CONTINUED***Notes:*

- a. Pursuant to the sale and purchase agreement dated 4 January 2019, the Purchaser (a wholly-owned subsidiary of the Company) had the right to sell the locked-up consideration shares for the compensation of the shortfall of guaranteed profit. For the three months ended 30 September 2022, the Company exercised the right and sold 232 million locked-up consideration shares in return for the compensation income of approximately HK\$9.8 million. For details, please refer to the announcement dated 4 January 2019 and the circular dated 2 April 2019 issued by the Company.
- b. There were no unfulfilled conditions or contingencies relating to substantial amount of the government subsidies.

**4. (LOSS)/PROFIT BEFORE TAX**

(Loss)/Profit before tax has been arrived at after charging/(crediting):

	<b>(Unaudited)</b>	
	<b>Three months ended</b>	
	<b>30 September</b>	
	<b>2023</b>	2022
	<b>HK\$'000</b>	HK\$'000
Cost of inventories sold	<b>2,357</b>	4,127
Depreciation of property, plant and equipment	<b>121</b>	197
Depreciation of right-of-use assets	—	180
Interest on convertible bonds	—	1,787

**5. INCOME TAX EXPENSE**

For the three months ended 30 September 2023, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5% (Period 2022: Nil).

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 30 September 2023

### 6. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic and diluted (loss)/earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

(Loss)/Profit

	(Unaudited) Three months ended 30 September	
	2023 HK\$'000	2022 HK\$'000
(Loss)/Profit for the period attributable to the equity holders of the Company	<u>(2,343)</u>	<u>4,382</u>

Number of shares

	'000	'000 (restated)
Weighted average number of ordinary shares for the purposes of basic (loss)/earnings per share	<u>183,693</u>	<u>181,507</u>

For the three months ended 30 September 2023, outstanding share options of the Company have been anti-dilutive (three months ended 30 September 2022: anti-dilutive) since their exercise or conversion would result in an decrease in loss per share (three months ended 30 September 2022: increase in earnings per share).

A share consolidated of every twenty five shares into one share of the Company had been completed on 29 August 2023. As a result of the share consolidation, the weight average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the period ended 30 September 2022.



**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended 30 September 2023

**7. MOVEMENT OF RESERVES**

For the three months ended 30 September 2023

	Attributable to equity holders of the Company											
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Share option reserve HK\$'000	Translation reserve HK\$'000	Convertible bonds reserve HK\$'000	Special reserve HK\$'000	Capital reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
At 1 July 2023 (audited)	57,404	2,703,996	1,484	1,739	7,776	—	(1)	28,633	(2,973,764)	(172,733)	(7,021)	(179,754)
(Loss)/Profit for the period	—	—	—	—	—	—	—	—	(2,343)	(2,343)	722	(1,621)
Exchange differences arising from translation of financial statements of overseas operations	—	—	—	—	(256)	—	—	—	—	(256)	22	(234)
Total comprehensive income/ (loss) for the period	—	—	—	—	(256)	—	—	—	(2,343)	(2,599)	744	(1,855)
Recognition of equity-settled share-based payments	—	—	—	280	—	—	—	—	—	280	—	280
At 30 September 2023 (unaudited)	57,404	2,703,996	1,484	2,019	7,520	—	(1)	28,633	(2,976,107)	(175,052)	(6,277)	(181,329)

For the three months ended 30 September 2022

	Attributable to equity holders of the Company											
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Share option reserve HK\$'000	Translation reserve HK\$'000	Convertible bonds reserve HK\$'000	Special reserve HK\$'000	Capital reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
At 1 July 2022 (audited)	56,721	2,702,002	1,484	15,694	8,256	8,573	(1)	28,633	(2,988,139)	(166,777)	(6,620)	(173,397)
Profit for the period	—	—	—	—	—	—	—	—	4,382	4,382	112	4,494
Exchange differences arising from translation of financial statements of overseas operations	—	—	—	—	235	—	—	—	—	235	(744)	(509)
Total comprehensive income/ (loss) for the period	—	—	—	—	235	—	—	—	4,382	4,617	(632)	3,985
Recognition of equity-settled share-based payments	—	—	—	535	—	—	—	—	—	535	—	535
At 30 September 2022 (unaudited)	56,721	2,702,002	1,484	16,229	8,491	8,573	(1)	28,633	(2,983,757)	(161,625)	(7,252)	(168,877)

**8. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY FINANCIAL STATEMENTS**

The unaudited condensed consolidated first quarterly financial statements were approved and authorised for issue by the Board on 14 November 2023.



## MANAGEMENT DISCUSSION AND ANALYSIS



### FINANCIAL REVIEW

For Period 2023, the Group recorded an unaudited consolidated revenue of HK\$4.0 million, decreased by 29% compared to HK\$5.6 million for Period 2022. The gross profit ratio increased to about 41% as compared with 27% for Period 2022. For Period 2023, the Group recorded a net loss attributable to equity holders of HK\$2.3 million, as compared with the Group recorded a profit attributable to equity holders of HK\$4.4 million for Period 2022. Selling and distribution expenses and administrative expenses in Period 2023 amounted to HK\$2.4 million, which decreased 56% as compared to HK\$5.3 million in Period 2022. Finance costs for Period 2023 decreased 51% to HK\$0.9 million as compared to HK\$1.8 million for Period 2022.

### BUSINESS REVIEW

During the period under review, the Group continued to carry out overall planning and layout in respect of the “Internet Plus” business. Leveraging on its years of experience and business network in the “Internet Plus” business, the Group is fully committed to the development of the related business in the “Internet Plus” healthcare industry chain, and is gradually expanding the establishment of supply chain services within the “Internet Plus” business.

During the period under review, the “Internet Plus” business provided the major revenue for the Group. The Group has continued to enhance its supply chain services for healthcare and similar products within the scope of the existing supply chain in the “Internet Plus” business. The Company leverages its experience and strengths in supply chain business as well as sourcing to provide timely supply chain services to its customers. Leveraging on its experience in the development of the “Internet Plus” business, the Group is expanding its business in the distribution and wholesale of big health products including Chinese patent medicines, chemical medicine preparations and antibiotic preparations through a subsidiary in the PRC. Such business has been launched in the market and put into full operation. The subsidiary has also obtained the relevant Pharmaceutical Trade License, and the Group is in the process of enhancing its product lines and geographical coverage for this business, which is expected to bring new growth opportunities to the Group. On the other hand, the Group is entering into cooperation agreements with major healthcare product brands — including, among others, healthcare products with Chinese medicine ingredients. By providing brands with comprehensive, convenient and timely supply chain services in the PRC and Hong Kong, the Group will be able to expand the supply and reach of the brands’ products and achieve mutual benefits and win-win results. As the Group focuses on the development of the healthcare industry chain, the cooperation with various product brands will effectively accelerate the development and momentum of related businesses.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FUTURE OUTLOOK

The Group is fully committed to expanding its businesses related to the healthcare industry chain, which includes, among others, the entire business process of production, distribution and supply chain of big health products, with a view to expanding the Group's new opportunities in the healthcare industry and bringing in new sources of income to the Group. The Group will gradually intensify the development of the distribution and wholesale business of healthcare products, including Chinese patent medicines, chemical medicine preparations and antibiotic preparations, and increase its overall market share by broadening its product lines and geographical coverage, thereby bringing new growth opportunities to the Group. The Group is also stepping up its efforts in exploring various aspects of the healthcare industry chain, including strategic layout across regions in the PRC and feasibility studies on the development of various aspects of the industry chain, which is expected to provide the Group with new opportunities for business development.

### DIVIDEND

The Board does not recommend the payment of dividend for the three months ended 30 September 2023 (three months ended 30 September 2022: Nil).



## GENERAL INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2023, the interests and short positions of the Directors and chief executive in the ordinary share(s) of par value of HK\$0.3125 each in the share capital of the Company (the "**Share(s)**"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

#### Long Positions in the Shares of the Company or Any of Its Associated Corporation

Name of Directors	The Company/ Name of Associated Corporation	Interest in Controlled Corporation	Number of Shares Held				Approximate Percentage of Shareholding
			Personal Interest (ordinary shares)	Personal Interest (underlying shares) <i>(Note)</i>	Interest of Spouse	Total Interest	
Mr. CHAU Wai Wah Fred	The Company	—	152,000	1,600,000	—	1,752,000	0.95%
Mr. HO Kam Kin	The Company	—	—	1,600,000	—	1,600,000	0.87%
Ms. KWOK Shuk Yi	The Company	—	—	1,600,000	—	1,600,000	0.87%
Dr. CHENG Yanjie	The Company	—	78,600	160,000	—	238,600	0.13%
Mr. LAU Fai Lawrence	The Company	—	—	160,000	—	160,000	0.09%

*Note:*

These share options were granted by the Company on 28 December 2022 under the share option scheme adopted by the Company on 9 June 2021.

**GENERAL INFORMATION**

Save as disclosed above, as at 30 September 2023, none of the Directors and chief executive of the Company had or was deemed to have any interests or short positions in any Shares, underlying Shares or debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) that were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

**ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURE**

Save as disclosed in the paragraph headed “Directors’ and chief executive’s interests and short positions in shares, underlying shares and debentures of the Company or any associated corporation” above, at no time during the period was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company to acquire benefits by means of acquisition of the Shares in, or debentures of, the Company or any body corporate, and none of the Directors and chief executive or their spouses or children under the age of 18 had any right to subscribe for the securities of the Company, or had exercised any such right during the three months ended 30 September 2023.



## GENERAL INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2023, according to the register kept by the Company pursuant to Section 336 of the SFO, and so far as was known to any Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had, or were deemed or taken to have, interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, as follows:

#### Long Positions in the Shares

Name of Shareholders	Capacity	Number of Shares Held	Approximate Percentage of the Shareholding
Best Frontier Investments Limited (" <b>Best Frontier</b> ") & its concert parties ( <i>Note 1</i> )	Beneficial Owner	27,097,575	14.75%
Integrated Asset Management (Asia) Limited (" <b>Integrated Asset</b> ") & its concert parties ( <i>Note 2</i> )	Beneficial Owner	21,694,520	11.81%
Mr. TSE Siu Hoi	Beneficial Owner	12,426,000	6.76%

*Notes:*

1. The 27,097,575 Shares were held by Best Frontier which was wholly owned by Mr. LAM Yui Keung.

**GENERAL INFORMATION**

2. The 21,694,520 Shares were owned by Integrated Asset which was wholly-owned by Mr. YAM Tak Cheung.

On 17 January 2014, the Company issued unlisted convertible bonds with a principal amount of HK\$89,625,000 (the “**CBs**”) to Integrated Asset. After the fifth amendments of the principal terms of the CBs in 2021, the CBs could be converted into the maximum number of 405,542,986 ordinary shares of par value of HK\$0.0125 each of the Company, with the maturity date extended to 17 January 2022, the conversion price amended to HK\$0.221 per conversion share and the interest rate increased to 10% per annum. The bondholder has not exercised any of its conversion right and has no conversion right of the CBs which have been matured since 17 January 2022. Therefore, the CBs have not been convertible since then. As at the date of this report, the Company is still in the progress of negotiating with the bondholder for the renewal of or further extension on the CBs and will disclose further developments on the above matters by way of further announcement(s) in a timely manner in accordance with regulatory requirements.

Save as disclosed above, as at 30 September 2023, the Directors or chief executive of the Company were not aware of any person (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company under Section 336 of the SFO.



## GENERAL INFORMATION



### SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 9 June 2021 under which the Board may, at its discretion, invite eligible persons to take up share options to subscribe for the Shares. The purpose of the Share Option Scheme is to enable the Group to grant the share options to selected eligible persons (the “**Eligible Persons**”) as incentives or rewards for their contribution to the Group. The Share Option Scheme will provide the Eligible Persons with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives: (i) motivate the Eligible Persons (in case of the Eligible Employees, as defined below) to optimise their performance and efficiency for the benefit of the Group; (ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Persons (in case of the Eligible Consultants, as defined below) whose contributions are, will be or are expected to be beneficial to the Group; and (iii) align the interests of the Eligible Persons with the Shareholders. Eligible persons shall include any employee and any Director (including executive, non- executive and independent non-executive Directors) (both collectively, the “**Eligible Employee(s)**”) and any consultant (collectively, the “**Eligible Consultant(s)**”) of the Company or of any subsidiary of the Company or such other persons who, at the sole determination of the Board, have contributed to the Group at the time when an option is granted to such persons. The Share Option Scheme will remain valid for a period of 10 years commencing from the date of its adoption.



## GENERAL INFORMATION

The details of the movements in share options under the Share Option Scheme during the three months ended 30 September 2023 were as follows:

Name/Category of Participants	Grant Date	Exercise Price per Share (HK\$) (Note)	Vesting Period	Exercise Period	Number of Share Options (Note)					As at 30 September 2023
					As at 1 July 2023	Granted	Exercised	Cancelled	Lapsed	
<b>Directors</b>										
Mr. CHAU Wai Wah Fred	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	640,000	—	—	—	—	640,000
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	480,000	—	—	—	—	480,000
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	480,000	—	—	—	—	480,000
Mr. HO Kam Kin	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	640,000	—	—	—	—	640,000
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	480,000	—	—	—	—	480,000
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	480,000	—	—	—	—	480,000
Ms. KWOK Shuk Yi	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	640,000	—	—	—	—	640,000
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	480,000	—	—	—	—	480,000
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	480,000	—	—	—	—	480,000
Dr. CHENG Yanjie	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	64,000	—	—	—	—	64,000
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	48,000	—	—	—	—	48,000
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	48,000	—	—	—	—	48,000
Mr. LAU Fai Lawrence	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	64,000	—	—	—	—	64,000
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	48,000	—	—	—	—	48,000
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	48,000	—	—	—	—	48,000
Dr. LIU Ta-pei (resigned on 3 August 2023)	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	14,400	—	—	—	(14,400)	—
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	10,800	—	—	—	(10,800)	—
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	10,800	—	—	—	(10,800)	—
				Sub-total	5,156,000	—	—	—	(36,000)	5,120,000
<b>Employees</b>										
28/12/2022	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	1,696,000	—	—	—	—	1,696,000
	28/12/2022	1.00	28/12/2022–30/06/2024	01/07/2024–30/06/2028	1,272,000	—	—	—	—	1,272,000
	28/12/2022	1.00	28/12/2022–30/06/2025	01/07/2025–30/06/2028	1,272,000	—	—	—	—	1,272,000
28/12/2022	28/12/2022	1.00	28/12/2022–30/06/2023	01/07/2023–30/06/2028	500,000	—	—	—	(400,000)	100,000
	28/12/2022	1.00	28/12/2022–31/12/2023	01/01/2024–30/06/2028	500,000	—	—	—	(400,000)	100,000
				Sub-total	5,240,000	—	—	—	(800,000)	4,440,000
				<b>Total</b>	<b>10,396,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(836,000)</b>	<b>9,560,000</b>

**Note:**

In accordance with the Share Option Scheme, the exercise price and the number of share options were adjusted on 29 August 2023 as a result of the share consolidation of every twenty five (25) issued and unissued ordinary shares with a par value of HK\$0.0125 each in the share capital of the Company into one (1) ordinary share with a par value of HK\$0.3125 approved at the extraordinary general meeting of the Company held on 25 August 2023 and effective from 29 August 2023.



## GENERAL INFORMATION



### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the three months ended 30 September 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Shares.

### COMPETING INTERESTS

As at 30 September 2023, none of the Directors, the substantial shareholders nor the controlling shareholders of the Company or any of their respective close associates (as defined under the GEM Listing Rules) have any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Group.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company (the "**Articles of Association**") or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### CORPORATE GOVERNANCE PRACTICES

The Company has adopted and complied with the applicable code provisions as set out in Appendix 15 to the GEM Listing Rules (the "**CG Code**") during the three months ended 30 September 2023, except for the following deviations which are summarized below:

#### Code Provision C.2.1

Code Provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The chairperson of the Company is responsible for overseeing the functions of the Board and formulating the overall strategies and policies of the Company. The chief executive officer of the Company is responsible for the day-to-day management of the business of the Group, implementing major strategies, making

## GENERAL INFORMATION

day-to-day decisions and the overall coordination of business operations. For the three months ended 30 September 2023, the roles of the chairperson and chief executive officer were exercised by the executive Directors collectively. The responsibilities of both roles were the same as mentioned above. The Board considers that vesting the roles of chairperson and chief executive officer in the executive Directors collectively was beneficial to the business prospects and management of the Group. The Board will review the need of appointing suitable candidates to assume the roles of the chairperson and the chief executive officer when necessary.

The corporate governance practices of the Company will be reviewed and updated from time to time in order to comply with the GEM Listing Rules requirements when the Board considers appropriate.

### DIRECTORS' SECURITIES TRANSACTIONS


The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct (the “**Code of Conduct**”) regarding the Directors' securities transaction in the Shares. Having made specific enquires, the Company has confirmed with all Directors that they have complied with the required standard as set out in the Code of Conduct during the three months ended 30 September 2023.

### AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the GEM Listing Rules. For the three months ended 30 September 2023, the Audit Committee comprised three independent non-executive Directors of the Company, namely, Mr. LAU Fai Lawrence, Mr. HSU Dong An (appointed on 15 August 2023) and Mr. HEUNG Pik Lun (appointed on 15 September 2023). Mr. LAU has been appointed as the chairperson of the Audit Committee.



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The primary duties of the Audit Committee are to review the Company's annual report and accounts, interim report and quarterly reports and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the Company's financial reporting, risk management and internal control systems.

The Group's unaudited results for the three months ended 30 September 2023 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results has complied with applicable accounting standards and requirements and that adequate disclosures have been made.

By Order of the Board  
**Sinopharm Tech Holdings Limited**  
**國藥科技股份有限公司**  
**CHAU Wai Wah Fred**  
*Executive Director*

Hong Kong, 14 November 2023

*As at the date of this report, the Board comprises Mr. CHAU Wai Wah Fred, Mr. HO Kam Kin and Ms. KWOK Shuk Yi as executive Directors, and Dr. CHENG Yanjie as non-executive Director, and LAU Fai Lawrence, Mr. HSU Dong An and Mr. HEUNG Pik Lun as independent non-executive Directors.*