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国药集团
SINOPHARM

國藥控股股份有限公司 SINOPHARM GROUP CO. LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability and carrying on business in Hong Kong as 國控股份有限公司)

(Stock Code: 01099)

ANNOUNCEMENT

PRELIMINARY FINANCIAL DATA OF SINOPHARM ACCORD FOR THE SIX MONTHS ENDED 30 JUNE 2024

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to the overseas regulatory announcement of Sinopharm Group Co. Ltd. (the “**Company**”) dated 16 August 2024 (the “**Announcement**”) in relation to the preliminary financial data for the six months ended 30 June 2024 (the “**Reporting Period**”) of China National Accord Medicines Corporation Ltd. (“**Sinopharm Accord**”), a subsidiary of the Company and whose A shares and B shares are listed on the Shenzhen Stock Exchange (stock code for A shares: 000028; stock code for B shares: 200028).

The board of directors of the Company would like to draw the attention of its shareholders and the public investors to the following principal unaudited financial data and indicators of Sinopharm Accord for the Reporting Period as set out in the Announcement.

** The Company is registered as a non-Hong Kong company under the Hong Kong Companies Ordinance under its Chinese name and the English name “Sinopharm Group Co. Ltd.”.*

PRINCIPAL UNAUDITED FINANCIAL DATA AND INDICATORS OF SINOPHARM ACCORD

Unit: Ten thousand Yuan

Currency: RMB

	The Reporting Period	Same period of last year	Increase/Decrease (%)
Revenue	3,778,598.06	3,838,753.15	-1.57
Operating profit	94,886.01	129,511.32	-26.74
Total profit	95,796.89	129,165.43	-25.83
Net profit attributable to shareholders of the listed company	74,348.72	83,025.11	-10.45
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	71,137.85	79,464.63	-10.48
Basic earnings per share (Yuan)	1.34	1.49	-10.07
Weighted average return on net assets	4.19%	5.04%	Decreased by 0.85 percentage point
	At the end of the Reporting Period	At the beginning of the Reporting Period	Increase/Decrease (%)
Total assets	5,140,524.14	4,757,109.48	8.06
Equity attributable to shareholders of listed company	1,777,982.09	1,741,480.87	2.10
Share capital (in 0'000 shares)	55,656.51	55,656.51	0.00
Net assets per share attributable to shareholders of listed company (Yuan)	31.95	31.29	2.11

Note: The financial data as at the end of the Reporting Period are filled in according to the consolidated financial statements of Sinopharm Accord.

INFORMATION OF THE OPERATION RESULTS AND FINANCIAL SITUATION

In the first half of 2024, Sinopharm Accord achieved a revenue of RMB37.786 billion, representing a year-on-year decrease of 1.57%, and a net profit attributable to shareholders of the listed company of RMB743 million, representing a year-on-year decrease of 10.45%.

During the Reporting Period, the distribution segment achieved a relatively stable growth, with a revenue of RMB27.079 billion, representing a year-on-year increase of 2.11%, and a net profit of RMB523 million, representing a year-on-year decrease of 1.48%, which was mainly attributable to the impact of the operating environment and the delay in the collection of account receivables, leading to a rise in the scale of capital utilisation and a corresponding increase in the cost of capital, and thus a decrease in profit. As affected by changes in industry policies such as the outpatient retail unification (門診統籌), intensified market competition and adjustments to the stage of development of the enterprise, the retail segment (i.e. “Sinopharm Holding Guoda Drugstore Co., Ltd.”) achieved a revenue of RMB11.202 billion, representing a year-on-year decrease of 9.30%, and a net profit of RMB -14 million, representing a year-on-year decrease of 104.81%. In addition, the favourable operating results of Sinopharm Accord’s major associates made a positive contribution to Sinopharm Accord’s net profit attributable to shareholders of the listed company.

Taking into account the changes in the market environment and the pressures and challenges faced by its business segments, Sinopharm Accord will focus on its primary responsibility of high-quality development, anchor on its strategic main lines, deepen transformation and innovation, proactively take measures to “stabilise growth, control risks and enhance quality and efficiency”, and make efforts to promote stable development of its operations.

Shareholders and public investors should note that the principal unaudited financial data and indicators of Sinopharm Accord during the Reporting Period contained in this announcement are only preliminary accounting data, which have not been audited by an accounting firm, and the final data to be disclosed in the interim report of Sinopharm Accord may differ.

By order of the Board
Sinopharm Group Co. Ltd.
Yu Qingming
Chairman

Shanghai, the PRC

16 August 2024

As at the date of this announcement, the executive directors of the Company are Mr. Yu Qingming and Mr. Liu Yong; the non-executive directors of the Company are Mr. Chen Qiyu, Mr. Hu Jianwei, Mr. Deng Jindong, Mr. Wang Kan, Mr. Wang Peng, Mr. Wen Deyong, Mr. Li Dongjiu and Ms. Feng Rongli; and the independent non-executive directors of the Company are Mr. Chen Fangruo, Mr. Li Peiyu, Mr. Wu Tak Lung, Mr. Yu Weifeng and Mr. Shi Shenghao.