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**SINO BIOPHARMACEUTICAL LIMITED**  
**中國生物製藥有限公司**

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

*Website: [www.sinobiopharm.com](http://www.sinobiopharm.com)*

**(Stock code: 1177)**

**VOLUNTARY ANNOUNCEMENT**  
**DISPOSAL OF EQUITY INTERESTS IN THREE SUBSIDIARIES**

This announcement is made by Sino Biopharmaceutical Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board of directors of the Company hereby announces the following equity disposal:

Recently, the Group disposed of 55% equity interest in Suzhou Tianqing Xingwei Medicines Co., Ltd., 100% equity interest in Lianyungang Chia Tai Tianqing Medicines Co., Ltd. and 55% equity interest in Zhejiang Tianqing Zhongwei Medicines Co., Ltd., all being subsidiaries of the Group, at an aggregate valuation of approximately RMB210 million, for total sale proceeds of approximately RMB150 million. Upon completion of the disposal, the Group will no longer hold any equity interest in the above three subsidiaries.

**REASONS FOR AND BENEFITS OF THE DISPOSAL**

The board of directors of the Company considers that the disposal is in the interests of the Company and its shareholders and has the following strategic significance:

1. **Focusing on core pharmaceutical business:** Through the disposal, the Group has divested all of its commercial distribution businesses. In the future, the Group will further focus on the pharmaceutical business and will continue to optimize the asset and business structures of the Group.
2. **Enhancement of net profit margin:** All the three subsidiaries are commercial distribution companies, and their net profit margins for the full year of 2022 were significantly lower than the overall net profit margin of the Group, so the disposal helps improve the operating results of the Group.

The board of directors of the Company considers that the disposal is conducted on normal commercial terms, is fair and reasonable and will not have any material impact on the Group's capability of sustainable operation and core competitiveness, and is in the interests of the Group as a whole and beneficial for its long-term development.

## **LISTING RULES IMPLICATIONS**

As all the applicable percentage ratios (as defined in Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) in respect of the disposal are less than 5%, the disposal does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

By order of the board of directors  
**Sino Biopharmaceutical Limited**  
**Tse, Theresa Y Y**  
*Chairwoman*

Hong Kong, 8 November 2023

*As at the date of this announcement, the board of directors of the Company comprises seven executive directors, namely Ms. Tse, Theresa Y Y, Mr. Tse Ping, Ms. Cheng Cheung Ling, Mr. Tse, Eric S Y, Mr. Tse Hsin, Mr. Tian Zhoushan and Ms. Li Mingqin and five independent non-executive directors, namely Mr. Lu Zhengfei, Mr. Li Dakui, Ms. Lu Hong, Mr. Zhang Lu Fu and Dr. Li Kwok Tung Donald.*