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Sincere Pharmaceutical Group Limited

先聲藥業集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 2096)

PROFIT ALERT

This announcement is made by Sincere Pharmaceutical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of unaudited consolidated management accounts of the Group for the year ended December 31, 2022 (“**FY2022**”), it is expected that:

- 1) the Group will record a revenue of approximately RMB6,289 million to RMB6,349 million for FY2022, representing an increase by approximately 26% to 27% from RMB5,000 million for the year ended December 31, 2021 (“**FY2021**”). Such expected increase in revenue was mainly attributable to a rapid increase in sales of innovative pharmaceuticals.
- 2) the Group will record a profit attributable to equity shareholders of the Company of approximately RMB904 million to RMB964 million for FY2022, representing a decrease by approximately 36% to 40% from RMB1,507 million for FY2021. Such expected decrease in profit attributable to equity shareholders of the Company was mainly attributable to the following investment portfolio and one-off gain items: (a) the net realized and unrealized gains (before tax) on financial assets at fair value through profit or loss for FY2022 is expected to decrease by approximately RMB270 million as compared to that for FY2021 due to the fair value change of the investment portfolio held by the Group for FY2022, (b) the impact of one-off gain, including (i) a gain (before tax) from the conversion into fair value measurement of certain investments in

former associates of the Company of approximately RMB314 million recorded for FY2021 due to the loss of significant influence on such former associates of the Company during FY2021, and (ii) a gain (before tax) from the disposal of the Group's entire equity interest in Simgene Group Limited of approximately RMB399 million recorded for FY2021.

The Company is still in the process of finalising the annual results of the Group for FY2022. The information contained in this announcement is based solely on the preliminary assessment of the Group's unaudited consolidated management accounts for FY2022, and is subject to finalisation and other potential adjustments, if any, and has not been reviewed or confirmed by the Group's auditors or the Audit Committee of the Board. Shareholders and potential investors of the Company should refer to the Group's annual results announcement for FY2022, which is expected to be published by the end of March 2023.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Sincere Pharmaceutical Group Limited
Mr. Ren Jinsheng
Chairman and Chief Executive Officer

Hong Kong, 24 February, 2023

As at the date of this announcement, the Board comprises Mr. REN Jinsheng as the Chairman and executive Director, Mr. TANG Renhong, Mr. WAN Yushan and Ms. WANG Xi as the executive Directors; and Mr. SONG Ruilin, Mr. WANG Jianguo, Mr. WANG Xinhua and Mr. SUNG Ka Woon as the independent non-executive Directors.