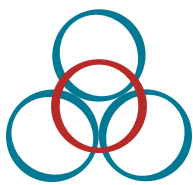


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四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.

四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 0460)

VOLUNTARY ANNOUNCEMENT

SIHUAN PHARMACEUTICAL REACHED EXCLUSIVE DISTRIBUTION AGREEMENT IN RELATION TO CELLBOOSTER[®] WITH SWISS SUISELLE

The board of directors (the “**Board**”) of Sihuan Pharmaceutical Holdings Group Ltd. (the “**Company**” or “**Sihuan Pharmaceutical**”, together with its subsidiaries, the “**Group**”) is pleased to announce that subsidiary Beijing MeiYan KongJian Biology Medicine Co., Ltd (“**MeiYan KongJian**”) has recently reached an exclusive distribution agreement in relation to CELLBOOSTER[®] series products (the “**Products**”) with Suisselle SA (“**Suisselle**”) from Switzerland, and obtained the exclusive distribution rights for the Products in mainland China, Hong Kong, Macau and Taiwan.

Founded in 2010, Suisselle is a science-driven company in Switzerland, specializing in the development of treatments in the field of hyaluronic acid and innovative cells area. Based on its cutting-edge innovative CHAC patented technology, it design, develop and produce the safest and the most effective professional medical aesthetic products while adhering to the highest quality standards, it has expanded its business to over 43 countries. The company is dedicating to create unique and innovative technologies for cell repair and skin rejuvenation, to offer maximum rejuvenation effect with minimal invasivity.

CELLBOOSTER[®] series products is a new generation of skin booster injection, it is the first CE-marked stabilized complex boosters due to Suisselle's unique patented physical cross-linking CHAC technology, representing the Products sold in the European Economic Area have been assessed to meet high safety, health, and environmental protection requirement, thus realizing the free circulation within the EU member states. CHAC technology modifies and exploits the natural properties of hyaluronic acid, allowing the complex formed by hyaluronic acid to remain stable, making it an optimal vehicle for transporting essential nutrients to the skin, ensuring their effective delivery and long-lasting results. Meanwhile, active ingredients of the CHAC technology are maximizing hyaluronic acid's ability for skin renewal and collagen production, stimulating the regenerative mechanism of skin cells and strengthening the skin's natural protective barrier. The technology is used as a mesotherapy treatment against wrinkles, tightens facial skin, brightens skin, prevents hair loss or reduces stretch marks and fat, and can be used alone or in combination with fillers, peelings and botulinum toxin treatments.

CELLBOOSTER[®] is a high-end premium Swiss hyaluronic acid complex solution products with blend of non-crosslinked hyaluronic acid, amino acids and vitamins, using for improving innate skin. The series includes four products of CELLBOOSTER[®] GLOW, CELLBOOSTER[®] LIFT, CELLBOOSTER[®] SHAPE and CELLBOOSTER[®] HAIR. Among which, CELLBOOSTER[®] GLOW is for nourishment, moisturizing and deep hydration which reduces hyperpigmentation and fights against the oxidative stress, restores dermal structural integrity, neutralizes free radicals and reduces the effects of keratosis; CELLBOOSTER[®] LIFT diminishes the effects of aging by filling the soft tissue, preventing oxidative stress and providing a deep hydration, and stimulates collagen production to improve microcirculation and cell nutrition; CELLBOOSTER[®] SHAPE is for reducing local fat accumulation or deposit, and reducing water retention and diminishes puffiness by improving microcirculation and hydration; CELLBOOSTER[®] HAIR is for strengthening hair follicles, improving hair growth and microcirculation, restoring scalp skin structure and providing hair fiber restructuring.

According to the report of Soochow Securities, skin booster injection as the entry-level product of medical aesthetic, the operation is very convenient which takes only around 1 hour for the whole process, so it is known as the "lunch break product" and is very popular among beauty seekers with huge market demand. In addition, skin booster injection is mainly for hydration, pore size decrease and skin texture improve, so ladies over 25 years old could maintain a better skin condition by taking regular skin booster injections, thus underlying a vast consumer group. Therefore, skin booster injection has always been a popular product in minimally invasive medical aesthetic area with high consumption frequency. According to Soochow Securities, the expected number of people who have taken skin booster injections were over 2 million in 2020, with the median market size of RMB6.25 billion by consumer end. And the skin booster injection is a fast-growing product in the injection category, so its market size is expected to reach over RMB20 billion by 2025, with a compound annual growth rate at 28.5% between 2020 to 2025.

The four water booster injection products from the CELLBOOSTER[®] series that Sihuan Pharmaceutical exclusively distribute, are used for brightening skin tone, smoothing wrinkles, local shaping and preventing hair loss and hair graying, respectively. The Products not only enrich the Group's product matrix, but also demonstrate the Group's commitment to deepen its presence in the medical aesthetic area and its internationalized strategic vision.

About MeiYan KongJian

MeiYan KongJian is a medical aesthetics subsidiary of Sihuan Pharmaceutical, a large pharmaceutical and medical aesthetics group company in China. Focusing on the high-growth and low-penetration medical aesthetics market experiencing explosive growth in China, MeiYan KongJian has successfully established a “one-stop” new medical aesthetics platform in China and is dedicated to building a leading company featuring full medical aesthetics product matrix in China by leveraging the rigour and innovation of pharmaceutical companies through globalized layout and localized production, comprehensive and professional medical aesthetics product matrix, strong product R&D and registration capabilities as well as diversified marketing channel ability.

Sihuan Pharmaceutical has a forward-looking layout in the medical aesthetics field, and entered into an exclusive distribution agreement in China with Hugel, Inc., a leading biomedical company in South Korea, in relation to botulinum toxin Letybo[®] and hyaluronic acid in 2014. Letybo[®] has been successfully approved for marketing in China as the first botulinum toxin product imported from South Korea in October 2020. After years of development, MeiYan KongJian has built a complete product matrix across medical aesthetics value chain with “self-development + BD” dual engine drivers. Taking the coverage of the whole life cycle needs of beauty enthusiasts as the starting point, its product layout covers a variety of high-quality medical aesthetics products, including the filling, shaping, supporting, supplementing, optoelectronic device, body sculpturing, skin care and others. MeiYan KongJian is equipped with strong in-house R&D and technology transformation capabilities, and its current R&D pipelines has more than ten self-developed class III medical aesthetics products and tens of class II medical aesthetics products. Besides, MeiYan KongJian has established the Meiyen Laboratory in Los Angeles, the United States, to conduct innovative technology introduction, independent research and development of new generation medical aesthetics products and biomaterial, and the technology transformation and manufacture in China. Leveraging the global resources of Sihuan Pharmaceutical, the parent company, MeiYan KongJian has strong product registration, manufacture and sales capabilities and is able to accelerate the launch of new products. At present, MeiYan KongJian has completed the construction of three domestic manufacture bases with a gross floor area of 16,000 square meters. It has currently planned for 9 production lines equipped with optimized quality management system and is able to implement effective risk management in the whole life cycle of products. Most members in the sales team of MeiYan KongJian come from multinational medical aesthetics and pharmaceutical enterprises with rich sales experience for medical aesthetics products. They work closely with tens of agents with the sales network covering more than 200 cities and 2,200 medical aesthetics institutions nationwide.

About Sihuan Pharmaceutical

Founded in 2001 and listed on the Main Board of The Stock Exchange of Hong Kong Limited in 2010, Sihuan Pharmaceutical is an international medical aesthetic and pharmaceutical enterprise led by innovation, with an independent and leading research and development technology platform, a rich global product pipeline and a mature and excellent sales system. Adhering to the overall strategic goal for the “full promotion of a two-wheel drive strategy of its medical aesthetics and biopharmaceutical businesses”, Sihuan Pharmaceutical endeavors to “build itself into a leading medical aesthetics and biopharmaceutical company in China”.

This announcement is being made by the Company on a voluntary basis to update the investing public on the Group’s latest business development, and does not constitute, and is not intended to be, an advertisement regarding the use of any medicine, surgical appliance, treatment or orally consumed product.

By order of the Board
Sihuan Pharmaceutical Holdings Group Ltd.
Dr. Che Fengsheng
Chairman and Executive Director

Hong Kong, 7 March 2022

As at the date of this announcement, the executive directors of the Company are Dr. Che Fengsheng (Chairman), Dr. Guo Weicheng (Deputy Chairman and Chief Executive Officer), Dr. Zhang Jionglong, Mr. Choi Yiau Chong and Ms. Chen Yanling; and the independent non-executive directors of the Company are Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun.