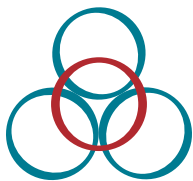


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四环医药  
*SihuanPharm*

**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**

# **FAVIPIRAVIR TABLET AND ESOMEPRAZOLE SODIUM API OBTAINED DRUG REGISTRATION APPROVAL FROM NMPA**

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 the favipiravir tablet (0.2g), an anti-influenza virus drug developed by Beijing Sihuan Pharmaceutical Co., Ltd., a subsidiary of the Group, has obtained drug registration approval from the National Medical Products Administration (the “**NMPA**”) of the People’s Republic of China (“**China**”), and is deemed to have passed the consistency evaluation on quality and efficacy of generic drugs. In addition, the active pharmaceutical ingredient (the “**API**”) of esomeprazole sodium developed by Jilin Huikang Pharmaceutical Co., Ltd., a subsidiary of the Group, has obtained registration approval from the NMPA, while its result of joint review and approval with the formulation is “A”.

### **About Favipiravir Tablet**

Favipiravir is an inhibitor of RNA polymerase, which blocks the synthesis of viral RNA by inhibiting viral RNA polymerase, then playing an antiviral role. The novel coronavirus (2019-nCoV) which started to prevail in early 2020 belongs to RNA virus. The mechanism of action of favipiravir suggests that the drug may have certain efficacy against novel coronavirus.

The favipiravir tablet is used for the treatment of new or recurrent influenza virus infections in adults (use only if other anti-influenza drugs are ineffective or with low effect). The favipiravir tablet was first approved for sale in China in 2020. At present, only Haizheng Pharmaceutical in China was conditionally approved for listing by the NMPA in 2020. Our company is the second in China to be approved for production after Haizheng Pharmaceutical. The favipiravir tablet is included in the National Reimbursement Drug List of China (2022 edition).

Influenza virus has the characteristics of easy mutation, highly infectivity, general susceptibility of population and has a high incidence rate. In recent years, the market sales volume of antiviral drugs in China has shown a rapid upward trend. According to IQVIA data, in 2019, the market size of antiviral drugs was about RMB4.5 billion, an year-on-year increase of 127.5% compared to RMB1.97 billion in 2018. With the easing of epidemic prevention and control policies and the resurgence of influenza, the market sales volume of antiviral drugs will continue to expand as attendance rates and medication levels continue to rise.

Anti-infection field is a key area of focus for the Group. The issuance of the drug registration approval for marketing of the favipiravir tablet (0.2g) will further benefit patients and add another important product to the Group's anti-infection drug pipeline, which will facilitate the future marketing sales and competition of the product, and have a positive impact on the Group's operating results.

## **About Esomeprazole Sodium API**

Esomeprazole sodium is the second generation proton pump inhibitor (“PPI”), which reduces gastric acid secretion by specifically inhibiting the proton pump in gastric parietal cells. Compared with other PPI drugs on the market, esomeprazole has significant advantages in pharmacokinetics and pharmacodynamics, with rapid onset, strong acid inhibition ability, long-lasting effect, high bioavailability, small individual differences, and effective promotion of symptom disappearance and mucosal healing. As a new generation PPI, it has been widely used in clinical practice.

According to data from China Insights Consultancy, the market size of PPI in 2021 in China was about RMB28 billion, with huge market size. The approval for the marketing of esomeprazole sodium API is beneficial to the Group in further enriching the product pipeline and increasing its presence in the alimentary tract drug market, and will have a positive impact on the Group's operating results.

## **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 biopharmaceutical company led and driven by innovation, with an independent and leading research and development technology platform, a rich global product pipeline, strong product registration capability, a full dosage form production platform with high efficiency and low cost and a mature and excellent sales system. Adhering to the overall strategic objective of “full promotion of a two-wheel drive strategy of its medical aesthetics and biopharmaceutical businesses”, Sihuan Pharmaceutical endeavours to build itself into a leading medical aesthetics and biopharmaceutical company in China.

This announcement is being made by the Group 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, 14 April 2023

*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, Ms. Chen Yanling and Ms. Miao Guili; and the independent non-executive directors of the Company are Mr. Tsang Wah Kwong, Dr. Zhu Xun and Mr. Wang Guan.*