Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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

Pursuant to the rules of the National Association of Financial Market Institutional Investors and the Shanghai Stock Exchange, Sinopharm Group Co. Ltd. (the "**Company**") is required to publish the quarterly financial information of the Company and its subsidiaries (the "**Group**") which consists of consolidated balance sheet, consolidated income statement and consolidated cash flow statement of the Group, and to publish the quarterly financial information of the Company which consists of balance sheet, income statement and cash flow statement of the Company.

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

The board of directors of the Company is pleased to announce the unaudited financial information of the Group and of the Company for the three months ended 31 March 2023 prepared in accordance with the PRC GAAP.

CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2023

Consolidated Balance Sheet of the Group as at 31 March 2023

(All amounts in RMB unless otherwise stated)

Items	As at 31 March 2023	As at 31 December 2022
Current assets:		
Cash at bank and on hand	**47,196,444,999.13**	67,259,623,719.34
Financial assets held for trading	**439,564.36**	498,148.80
Notes receivables	**4,875,731,816.08**	5,989,046,384.73
Accounts receivables	**204,371,740,211.65**	152,584,842,032.60
Accounts receivable financing	**9,510,858,248.26**	11,179,243,639.75
Advances to suppliers	**11,746,174,604.55**	12,234,460,119.25
Other receivables	**7,070,454,436.56**	6,435,108,615.37
Inventories	**67,325,754,816.84**	59,120,856,455.91
Contract assets	**1,372,149,182.00**	1,447,162,151.94
Current portion of non-current assets	**384,745,790.80**	521,673,968.23
Other current assets	**1,015,199,482.69**	826,872,573.59
Total current assets	**354,869,693,152.91**	317,599,387,809.51
Non-current assets:		
Long-term receivables	**2,311,788,108.19**	2,321,572,306.66
Long-term equity investments	**9,200,116,859.30**	8,987,650,837.01
Equity investments designated at fair value through other comprehensive income	**62,526,626.37**	57,380,785.31
Other non-current financial assets	**792,071,622.61**	795,427,646.01
Investment properties	**905,586,050.61**	919,764,393.30
Fixed assets	**10,483,520,597.66**	10,657,397,565.84
Construction in progress	**862,208,053.16**	800,054,179.50
Right-of-use assets	**5,175,604,877.69**	5,175,586,697.19
Intangible assets	**4,346,378,192.95**	4,414,289,433.89
Development costs	**84,931,050.67**	74,435,719.76
Goodwill	**7,171,473,596.05**	7,106,925,140.25
Long-term prepaid expenses	**1,310,204,737.18**	1,341,915,579.60
Deferred tax assets	**1,897,560,020.35**	1,874,518,899.07
Other non-current assets	**2,427,596,865.73**	2,492,928,437.00
Total non-current assets	**47,031,567,258.52**	47,019,847,620.39
Total assets	**401,901,260,411.43**	364,619,235,429.90

Consolidated Balance Sheet of the Group as at 31 March 2023 (continued)

(All amounts in RMB unless otherwise stated)

Items	As at 31 March 2023	As at 31 December 2022
Current liabilities:		
Short-term borrowings	**53,780,637,425.31**	41,918,828,226.20
Notes payables	**34,033,964,213.23**	37,633,994,346.32
Accounts payables	**115,040,033,721.46**	99,451,066,585.13
Advance from customers	**20,467,141.97**	37,127,602.11
Contract liabilities	**10,871,960,012.65**	10,359,198,200.75
Employee benefits payable	**1,795,898,617.92**	2,657,156,775.34
Taxes payable	**2,041,326,435.36**	3,278,676,199.02
Other payables	**33,968,078,390.66**	26,347,645,110.65
Current portion of non-current liabilities	**4,163,610,660.81**	3,896,047,869.64
Other current liabilities	**9,682,854,533.33**	9,316,483,137.30
Total current liabilities	**265,398,831,152.70**	234,896,224,052.46
Non-current liabilities:		
Long-term borrowings	**11,775,357,515.27**	7,751,897,745.98
Bonds payables	**3,997,974,992.99**	3,997,697,180.67
Lease liabilities	**3,257,710,915.41**	3,206,559,518.27
Long-term payables	**173,415,067.91**	79,606,714.42
Long-term employee benefits payable	**84,856,881.57**	78,905,599.89
Provisions	**26,093,056.47**	32,687,072.66
Deferred income	**391,196,092.34**	390,491,176.80
Deferred tax liabilities	**864,115,825.75**	936,744,134.87
Other non-current liabilities	**2,824,596,129.87**	2,966,590,321.72
Total non-current liabilities	**23,395,316,477.58**	19,441,179,465.28
Total liabilities	**288,794,147,630.28**	254,337,403,517.74

Consolidated Balance Sheet of the Group as at 31 March 2023 (continued)

(All amounts in RMB unless otherwise stated)

Items	As at 31 March 2023	As at 31 December 2022
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	**3,120,656,191.00**	3,120,656,191.00
Capital surplus	**20,427,721,170.85**	20,428,136,914.56
Less: treasury shares held for share incentive scheme	**3,838,296.96**	3,838,296.96
Other comprehensive income	**14,688,203.58**	12,625,573.08
Specific reserve	**3,414,280.75**	2,876,375.78
Surplus reserve	**1,787,153,157.33**	1,787,153,157.33
Undistributed profits	**44,488,662,577.86**	42,870,086,426.47
Total owners' equity (or shareholders' equity) attributable to equity holders of the parent	**69,838,457,284.41**	68,217,696,341.26
Minority interest	**43,268,655,496.74**	42,064,135,570.90
Total owners' equity (or shareholders' equity)	**113,107,112,781.15**	110,281,831,912.16
Total liabilities and owners' equity (or shareholders' equity):	**401,901,260,411.43**	364,619,235,429.90

Consolidated Income Statement of the Group for the Three Months Ended 31 March 2023

(All amounts in RMB unless otherwise stated)

Items	For the three months ended 31 March 2023	For the three months ended 31 March 2022
1. **Total operating revenue**	**145,517,774,016.32**	127,598,045,507.42
Including: Operating revenue	**145,517,774,016.32**	127,598,045,507.42
2. **Total operating cost**	**141,412,808,312.84**	124,066,714,911.65
Including: Operating cost	**134,576,841,900.38**	117,587,773,843.21
Taxes and surcharges	**308,974,323.85**	309,277,767.74
Selling and distribution expenses	**4,132,762,248.29**	3,796,149,196.57
General and administrative expenses	**1,738,119,045.26**	1,622,147,354.37
Research and development expenses	**95,957,248.53**	61,617,450.02
Financial expenses	**560,153,546.53**	689,749,299.74
Add: Other gains (loss shall be stated as "( )")	**115,590,588.71**	108,300,372.34
Investment income (loss shall be stated as "( )")	**177,789,502.95**	56,685,746.89
Profit arising from changes in fair value (loss shall be stated as "( )")	**(58,584.44)**	7,763,449.49
Credit impairment losses (loss shall be stated as "( )")	**(766,418,445.37)**	(569,626,032.92)
Asset impairment losses (loss shall be stated as "( )")	**(21,129,768.11)**	7,426,627.89
Gain on disposal of assets (loss shall be stated as "( )")	**23,304,063.54**	3,610,287.35
3. **Operating profit (loss shall be stated as "( )")**	**3,634,043,060.76**	3,145,491,046.81
Add: Non-operating income	**11,921,190.85**	10,751,238.27
Less: Non-operating expenses	**8,152,081.87**	6,329,469.54
4. **Total profit (total loss shall be stated as "( )")**	**3,637,812,169.74**	3,149,912,815.54
Less: Income tax expenses	**827,842,674.14**	721,610,609.03
5. **Net profit (net loss shall be stated as "( )")**	**2,809,969,495.60**	2,428,302,206.51
Classification according to the continuity of operation		
Net profit from continuing operations	**2,809,969,495.60**	2,428,302,206.51
Attributable to:		
Net profit attributable to equity holders of the parent	**1,590,341,175.29**	1,427,875,614.73
Net profit attributable to minority interest	**1,219,628,320.31**	1,000,426,591.78
6. **Other comprehensive income, net of tax**	**1,606,575.47**	2,314,833.59
Net other comprehensive income attributable to equity holders of the parent	**2,062,630.50**	2,408,488.08
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	**4,080,379.38**	(196,983.83)

Consolidated Income Statement of the Group for the Three Months Ended 31 March 2023 (continued)

(All amounts in RMB unless otherwise stated)

	Items	**For the three months ended 31 March 2023**	For the three months ended 31 March 2022
	Change in the fair value of other equity instrument investments	**4,080,379.38**	(196,983.83)
	Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	**(2,017,748.88)**	2,605,471.91
	Other comprehensive (loss)/income using the equity method that may be reclassified to profit or loss	**(136,324.16)**	2,965,092.81
	Exchange differences on translation of foreign operations	**(1,881,424.72)**	(359,620.90)
	Net profit of other comprehensive loss attributable to minority interest	**(456,055.03)**	(93,654.49)
7.	**Total comprehensive income**	**2,811,576,071.07**	2,430,617,040.10
	Total comprehensive income attributable to equity holders of the parent	**1,592,403,805.79**	1,430,284,102.81
	Total comprehensive income attributable to minority interest	**1,219,172,265.28**	1,000,332,937.29
8.	**Earnings per share:**		
	Basic earnings per share	**0.51**	0.46
	Diluted earnings per share	**0.51**	0.46

Consolidated Cash Flow Statement of the Group for the Three Months Ended 31 March 2023

(All amounts in RMB unless otherwise stated)

Items		For the three months ended 31 March 2023	For the three months ended 31 March 2022
1.	**Cash flows from operating activities:**		
	Cash received from sales of goods or rendering of services	**113,164,341,482.28**	109,375,689,696.70
	Refund of taxes and surcharges	**136,012,838.19**	22,190,513.02
	Cash received relating to other operating activities	**2,288,856,417.66**	1,555,603,470.55
	Sub-total of cash inflows from operating activities	**115,589,210,738.13**	110,953,483,680.27
	Cash paid for goods and services	**143,936,385,859.49**	135,699,612,829.82
	Cash paid to and on behalf of employees	**4,495,670,501.57**	4,278,418,889.96
	Payments of taxes and surcharges	**4,110,326,202.40**	3,894,097,864.20
	Cash paid relating to other operating activities	**3,740,276,347.56**	3,574,476,598.59
	Sub-total of cash outflows from operating activities	**156,282,658,911.02**	147,446,606,182.57
	Net cash flows used in operating activities	**(40,693,448,172.89)**	(36,493,122,502.30)
2.	**Cash flows from investing activities:**		
	Cash received from disposal of investments	**12,522,823.76**	-
	Cash received from returns on investments	**9,684,186.21**	25,665,225.60
	Net cash received from disposals of fixed assets, intangible assets and other long-term assets	**5,485,091.23**	6,274,973.34
	Cash received relating to other investing activities	**867,040,923.04**	579,583,199.62
	Sub-total of cash inflows from investing activities	**894,733,024.24**	611,523,398.56
	Cash paid to acquire fixed assets, intangible assets and other long-term assets	**406,410,900.79**	427,890,008.09
	Cash paid to acquire investments	**46,168,254.60**	28,366,345.67
	Net cash paid to acquire subsidiaries and other business units	**26,140,000.00**	-
	Cash paid relating to other investing activities	**-**	72,398,941.95
	Sub-total of cash outflows from investing activities	**478,719,155.39**	528,655,295.71
	Net cash flows from investing activities	**416,013,868.85**	82,868,102.85

Consolidated Cash Flow Statement of the Group for the Three Months Ended 31 March 2023 (continued)

(All amounts in RMB unless otherwise stated)

Items	For the three months ended 31 March 2023	For the three months ended 31 March 2022
3. Cash flows from financing activities:		
Cash received from capital contributions	**13,901,447.93**	64,625,000.00
Cash received from borrowings	**37,086,486,472.09**	29,159,581,370.21
Cash received relating to other financing activities	**6,813,033,198.33**	7,063,033,198.33
Sub-total of cash inflows from financing activities	**43,913,421,118.35**	36,287,239,568.54
Cash repayments of borrowings	**21,430,827,057.90**	14,268,308,457.67
Cash payments for distribution of dividends or profits and interest expenses	**1,171,070,640.65**	1,024,052,585.74
Cash payments relating to other financing activities	**200,892,313.91**	1,270,139,504.42
Sub-total of cash outflows from financing activities	**22,802,790,012.46**	16,562,500,547.83
Net cash flows from financing activities	**21,110,631,105.89**	19,724,739,020.71
4. Effect of foreign exchange rate changes on cash and cash equivalents	**(5,101,343.22)**	(1,381,826.40)
5. Net decrease in cash and cash equivalents	**(19,171,904,541.37)**	(16,686,897,205.14)
Add: Cash and cash equivalents at the beginning of the reporting period	**55,699,693,658.09**	43,622,927,468.61
6. Cash and cash equivalents at the end of the reporting period	**36,527,789,116.72**	26,936,030,263.47

FINANCIAL INFORMATION OF THE COMPANY FOR THE THREE MONTHS ENDED 31 MARCH 2023

Balance Sheet of the Company as at 31 March 2023

(All amounts in RMB unless otherwise stated)

Items	As at 31 March 2023	As at 31 December 2022
Current assets:		
Cash at bank and on hand	**12,758,775,453.00**	28,460,670,987.75
Accounts receivables	**4,783,364,139.37**	3,380,807,391.61
Accounts receivable financing	**104,014,599.78**	62,475,516.31
Advances to suppliers	**54,629,202.56**	50,596,367.32
Other receivables	**30,980,990,780.97**	31,093,343,774.18
Inventories	**1,359,005,822.04**	1,256,790,129.27
Contract assets	**610,800.00**	610,800.00
Other current assets	**25,650,650.69**	-
Total current assets	**50,067,041,448.41**	64,305,294,966.44
Non-current assets:		
Long-term equity investments	**33,076,698,936.64**	33,045,830,576.14
Other non-current financial assets	**547,614,317.61**	548,970,341.50
Investment properties	**1,032,178,347.15**	1,026,211,505.58
Fixed assets	**805,244,358.92**	823,613,325.38
Construction in progress	**51,583,293.14**	40,718,257.02
Intangible assets	**23,247,214.89**	24,580,201.13
Long-term prepaid expenses	**51,780,622.38**	53,982,227.60
Deferred tax assets	**42,748,667.50**	53,286,837.93
Other non-current assets	**8,577,863.34**	8,839,712.26
Total non-current assets	**35,639,673,621.57**	35,626,032,984.54
Total assets	**85,706,715,069.98**	99,931,327,950.98

Balance Sheet of the Company as at 31 March 2023 (continued)

(All amounts in RMB unless otherwise stated)

Items	**As at 31 March 2023**	As at 31 December 2022
Current liabilities:		
Notes payables	**1,101,606,591.54**	1,256,503,895.31
Accounts payables	**2,498,873,111.68**	2,755,097,670.41
Contract liabilities	**20,339,446.63**	36,995,516.66
Employee benefits payable	**60,044,890.59**	106,472,273.57
Taxes payable	**14,461,410.41**	58,125,560.26
Other payables	**25,247,154,184.22**	41,408,630,083.61
Current portion of non-current liabilities	**1,058,959,035.01**	1,054,719,077.11
Other current liabilities	**9,042,183,451.51**	9,055,879,969.80
Total current liabilities	**39,043,622,121.59**	55,732,424,046.73
Non-current liabilities:		
Long-term borrowings	**8,894,064,606.69**	6,499,355,062.77
Bonds payables	**3,997,974,992.99**	3,997,697,180.67
Deferred income	**99,213.90**	100,993.71
Other non-current liabilities	**1,278,805,242.23**	1,278,805,242.23
Total non-current liabilities	**14,170,944,055.81**	11,775,958,479.38
Total liabilities	**53,214,566,177.40**	67,508,382,526.11

Balance Sheet of the Company as at 31 March 2023(continued)

(All amounts in RMB unless otherwise stated)

Items	As at 31 March 2023	As at 31 December 2022
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	**3,120,656,191.00**	3,120,656,191.00
Capital surplus	**24,499,688,402.97**	24,499,688,402.97
Less: treasury shares held for share incentive scheme	**3,838,296.96**	3,838,296.96
Other comprehensive income	**5,308,022.85**	5,722,341.12
Surplus reserve	**1,786,969,617.66**	1,786,969,617.66
Undistributed profits	**3,083,364,955.06**	3,013,747,169.08
Total owners' equity (or shareholders' equity)	**32,492,148,892.58**	32,422,945,424.87
Total liabilities and owners' equity (or shareholders' equity)	**85,706,715,069.98**	99,931,327,950.98

Income Statement of the Company for the Three Months Ended 31 March 2023
(All amounts in RMB unless otherwise stated)

Items		For the three months ended 31 March 2023	For the three months ended 31 March 2022
1.	**Total operating revenue**	**4,367,704,096.89**	4,068,185,721.88
	Including: Operating revenue	**4,367,704,096.89**	4,068,185,721.88
2.	**Total operating cost**	**4,337,256,499.45**	4,058,217,004.77
	Including: Operating cost	**4,211,602,752.73**	3,906,715,661.87
	Taxes and surcharges	**6,625,361.82**	10,322,845.97
	Selling and distribution expenses	**56,707,645.67**	49,106,806.84
	General and administrative expenses	**76,620,220.45**	68,320,746.87
	Financial (income) / expenses	**(14,299,481.22)**	23,750,943.22
	Add: Other gains (loss shall be stated as "( )")	**15,256,916.51**	33,157,928.43
	Investment income (loss shall be stated as "( )")	**48,261,251.96**	56,803,536.79
	Credit impairment losses (loss shall be stated as "( )")	**(14,128,146.87)**	(13,242,449.50)
	Asset impairment losses (loss shall be stated as "( )")	**(1,223,697.35)**	(1,686,552.73)
	Gain on disposal of assets (loss shall be stated as "( )")	**24,817.14**	-
3.	**Operating profit (loss shall be stated as "( )")**	**78,638,738.83**	85,001,180.10
	Add: Non-operating income	**55,016.11**	574.03
	Less: Non-operating expenses	**8,855.01**	1,652,003.41
4.	**Total profit (total loss shall be stated as "( )")**	**78,684,899.93**	83,349,750.72
	Less: Income tax expenses	**9,067,113.95**	8,714,423.61
5.	**Net profit (net loss shall be stated as "( )")**	**69,617,785.98**	74,635,327.11
	Classification according to the continuity of operation		
	Net profit from continuing operations	**69,617,785.98**	74,635,327.11

Income Statement of the Company for the Three Months Ended 31 March 2023 (continued)
(All amounts in RMB unless otherwise stated)

Items	**For the three months ended 31 March 2023**	For the three months ended 31 March 2022
6. Other comprehensive (loss)/income, net of tax	**(414,318.27)**	2,250,966.13
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	**(414,318.27)**	2,250,966.13
Other comprehensive (loss)/income using the equity method that may be reclassified to profit or loss	**(414,318.27)**	2,250,966.13
7. Total comprehensive income	**69,203,467.71**	76,886,293.24

Cash Flow Statement of the Company for the Three Months Ended 31 March 2023

(All amounts in RMB unless otherwise stated)

Items		For the three months ended 31 March 2023	For the three months ended 31 March 2022
1.	**Cash flows from operating activities:**		
	Cash received from sales of goods or rendering of services	**3,732,102,572.01**	3,414,121,028.48
	Cash received relating to other operating activities	**145,603,476.48**	195,897,112.11
	Sub-total of cash inflows from operating activities	**3,877,706,048.49**	3,610,018,140.59
	Cash paid for goods and services	**5,199,221,661.46**	4,977,870,275.20
	Cash paid to and on behalf of employees	**112,428,905.60**	123,749,099.49
	Payments of taxes and surcharges	**59,362,786.09**	46,058,284.34
	Cash paid relating to other operating activities	**207,355,670.75**	229,684,554.91
	Sub-total of cash outflows from operating activities	**5,578,369,023.90**	5,377,362,213.94
	Net cash flows used in operating activities	**(1,700,662,975.41)**	(1,767,344,073.35)
2.	**Cash flows from investing activities:**		
	Cash received from disposal of investments	**11,095,757.18**	-
	Cash received from returns on investments	**19,587,231.13**	47,637,513.84
	Net cash received from disposals of fixed assets, intangible assets and other long-term assets	**53,950.00**	-
	Cash received relating to other investing activities	**284,208,220.44**	857,550,809.66
	Sub-total of cash inflows from investing activities	**314,945,158.75**	905,188,323.50
	Cash paid to acquire fixed assets, intangible assets and other long-term assets	**23,898,873.85**	22,176,242.98
	Cash paid to acquire investments	**-**	430,000,000.00
	Cash paid relating to other investing activities	**63,378,829.40**	1,015,707,887.95
	Sub-total of cash outflows from investing activities	**87,277,703.25**	1,467,884,130.93
	Net cash flows used in investing activities	**227,667,455.50**	(562,695,807.43)

Cash Flow Statement of the Company for the Three Months Ended 31 March 2023 (continued)
(All amounts in RMB unless otherwise stated)

Items	**For the three months ended 31 March 2023**	For the three months ended 31 March 2022
3. Cash flows from financing activities:		
Cash received from borrowings	**9,196,349,600.00**	2,998,149,600.00
Cash received relating to other financing activities	**114,651,718,711.79**	102,636,012,623.10
Sub-total of cash inflows from financing activities	**123,848,068,311.79**	105,634,162,223.10
Cash repayments of borrowings	**6,805,000,000.00**	-
Cash payments for distribution of dividends or profits and interest expenses	**172,750,746.10**	64,124,649.89
Cash payments relating to other financing activities	**131,097,992,770.55**	114,077,230,035.19
Sub-total of cash outflows from financing activities	**138,075,743,516.65**	114,141,354,685.08
Net cash flows used in financing activities	**(14,227,675,204.86)**	(8,507,192,461.98)
4. Effect of foreign exchange rate changes on cash and cash equivalents	**(1,224,809.98)**	(451,890.54)
5. Net decrease in cash and cash equivalents	**(15,701,895,534.75)**	(10,837,684,233.30)
Add: Cash and cash equivalents at the beginning of the reporting period	**28,460,670,987.75**	20,457,716,734.84
6. Cash and cash equivalents at the end of the reporting period	**12,758,775,453.00**	9,620,032,501.54

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

Shanghai, the PRC
27 April 2023

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. Ma Ping, Mr. Deng Jindong, Mr. Wang Kan, Mr. Wen Deyong, Mr. Li Dongjiu and Ms. Feng Rongli; and the independent non-executive directors of the Company are Mr. Zhuo Fumin, Mr. Chen Fangruo, Mr. Li Peiyu, Mr. Wu Tak Lung and Mr. Yu Weifeng.

* *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."*