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華潤醫藥集團有限公司

China Resources Pharmaceutical Group Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3320)

ANNOUNCEMENT

PRELIMINARY FINANCIAL INFORMATION OF DONG-E-E-JIAO FOR THE SIX MONTHS ENDED 30 JUNE 2023

On 6 August 2023, Dong-E-E-Jiao released its preliminary financial information for the six months ended 30 June 2023.

Dong-E-E-Jiao Company Limited (東阿阿膠股份有限公司) (“**Dong-E-E-Jiao**”) is a company incorporated in the People’s Republic of China. The shares of Dong-E-E-Jiao are listed on the Shenzhen Stock Exchange. As of the date of this announcement, Dong-E-E-Jiao is directly held as to 8.86% of its equity interests by China Resources Pharmaceutical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) and approximately 23.14% is held by the Company through its non-wholly owned subsidiary, China Resources Dong-E-E-Jiao Company Limited (華潤東阿阿膠有限公司). The Group effectively controls approximately 21.96% of Dong-E-E-Jiao. Dong-E-E-Jiao is accounted for as a subsidiary of the Company.

On 6 August 2023, Dong-E-E-Jiao released its preliminary financial information for the six months ended 30 June 2023 (the “**reporting period**”) (the “**Dong-E-E-Jiao Preliminary Financial Information**”). Set out below are the key financial information of the Dong-E-E-Jiao Preliminary Financial Information:

I. MAJOR FINANCIAL INFORMATION AND INDICATORS FOR SIX MONTHS ENDED 30 JUNE 2023

Unit: RMB ten thousand

Item	The reporting period	The corresponding period of previous year	Increase/ decrease (%)
Total operating revenue	216,713.90	182,589.70	18.69%
Operating profit	64,789.54	35,568.34	82.16%
Total profit	64,801.21	35,716.08	81.43%
Net profit attributable to the shareholders of the listed company	53,111.36	30,826.24	72.29%
Net profit attributable to the shareholders of the listed company (exclude extraordinary gains or losses)	48,994.43	26,687.77	83.58%
Basic earnings per share (<i>RMB/share</i>)	0.8247	0.4787	72.28%
Weighted average return on net asset (%)	5.07	3.11	+1.96 percentage point

Item	As of the end of the reporting period	As of the beginning of the reporting period	Increase/ decrease (%)
Total assets	1,226,499.64	1,263,138.24	-2.90%
Equity attributable to the shareholders of the listed company	1,010,169.22	1,032,924.32	-2.20%
Share capital (<i>ten thousand shares</i>)	643,976,824	654,021,537	-1.54%
Net assets per share attributable to the shareholders of the listed company (<i>RMB/share</i>)	15.69	16.04	-2.18%

II. DETAILS OF OPERATING RESULTS AND FINANCIAL POSITIONS

1. The operating results, financial position and main factors affecting operating performance during the reporting period

In the first half of 2023, Dong-E-E-Jiao solidly implemented the “14th Five-Year Plan” strategic planning, focusing on the key themes of “growth and efficiency” and practising the “four reshaping” in great depth, and continued to promote its position as a top-tier brand of “Zi Bu Guo Bao Dong-E-E-Jiao”. Adhering to a consumer-centric approach, it continued to strengthen its core fundamental businesses and the dual growth model of “pharmaceuticals” and “health consumer goods” was starting to show its impact, steadily improving its operating performance.

During the reporting period, Dong-E-E-Jiao had a total operating revenue of approximately RMB2,167 million, representing an increase of approximately 18.69% year-on-year; and the net profit attributable to shareholders of Dong-E-E-Jiao was approximately RMB531 million, representing an increase of approximately 72.29% year-on-year.

2. Main reasons for the fluctuation of over 30% in certain items in the above table

During the reporting period, Dong-E-E-Jiao focused on the development of its core businesses, with the market share of E-Jiao blocks increased significantly, the overall strategy of compound E-Jiao paste products being fully implemented, and the brand spokespersons and redeployment of sales channels for “Taohuajie” E-Jiao cake products boosting rapid growth, thereby driving the increase of overall operating revenue by approximately 18.69% year-on-year. Dong-E-E-Jiao’s profitability has further improved, with stable growth in gross profit margin and continuous enhancement of sales cost efficiency. Under the overall impact of the above factors, the metrics including operating profit, net profit and earnings per share of Dong-E-E-Jiao have increased significantly.

III. MAIN REASONS OF DIFFERENCE FROM THE PREVIOUS RESULTS ESTIMATE

There is no material deviation between the operating results disclosed in this Dong-E-E-Jiao Preliminary Financial Information and those disclosed in the results estimates previously published for the six months ended 30 June 2023.

The Dong-E-E-Jiao Preliminary Financial Information have been prepared in accordance with the PRC Generally Accepted Accounting Principles and are unaudited. The final financial results for the reporting period to be disclosed by Dong-E-E-Jiao in its interim report for the six months ended 30 June 2023 shall prevail.

The financial information is limited to Dong-E-E-Jiao only and does not represent or provide a complete view of the operational or financial status of the Group. **Shareholders and potential investors should exercise caution when dealing in securities of the Company and should not rely solely on such information.**

For further details of the Dong-E-E-Jiao unaudited half-year financial information, please refer to the interim report for the six months ended 30 June 2023 published by Dong-E-E-Jiao on the website of the Shenzhen Stock Exchange (www.szse.cn).

By Order of the Board
China Resources Pharmaceutical Group Limited
Han Yuewei
Chairman

Shenzhen, 7 August 2023

As at the date of this announcement, the Board comprises Mr. Han Yuewei as chairman and non-executive Director, Mr. Bai Xiaosong and Mr. Tao Ran as executive Directors, Mr. Lin Guolong, Mdm. Guo Wei, Mr. Hou Bo and Mdm. Jiao Ruifang as non-executive Directors and Mdm. Shing Mo Han Yvonne, Mr. Kwok Kin Fun, Mr. Fu Tingmei and Mr. Zhang Kejian as independent non-executive Directors.