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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 FOUR NON-PVC SOLID-LIQUID DOUBLE CHAMBER BAG PRODUCTS, DEVELOPED BY SIHUAN PHARMACEUTICAL'S ASSOCIATE COMPANY BEIJING RUIYE, ARE NEWLY INCLUDED IN NRDL 2023

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, according to the Notice on issuing the National Reimbursement Drug List for Basic Medical Insurance, Work-Related Injury Insurance, and Maternity Insurance (2023 Edition) (the “**NRDL 2023**”) officially issued by the National Healthcare Security Administration and the Ministry of Human Resources and Social Security, four non-PVC solid-liquid double chamber bag products, including “Cefodizime Sodium for Injection/Sodium Chloride Injection”, “Cefodizime Sodium for Injection/5% Glucose Injection”, “Cefoxitin Sodium for Injection/Sodium Chloride Injection”, and “Ceftriaxone Sodium for Injection/Sodium Chloride Injection” developed by Beijing Ruiye Pharmaceutical Co., Ltd. (“**Beijing Ruiye**”), an associate company of the Group, are included in the NRDL 2023, while the first three of which are exclusive in China. Up to now, 9 non-PVC solid-liquid double chamber bag products (18 strengths) of Beijing Ruiyue have been approved for launch, of which 7 products have been included in the NRDL.

The non-PVC solid-liquid double chamber bag product (the “**Product**”) is currently an advanced infusion product in the international arena. The Product adopts unique technology to pack drug and injectable solvents in two chambers of the same packaging bag, with the chambers separated by empty solder. When in use, it only requires to squeeze the bottom of the chambers gently to allow the drug powder and the injectable solvent to be mixed. It can realize fully enclosed and aseptic dispensing without the need to set up a special place for the dispensing process, which greatly simplifies the dispensing process. The Product avoids secondary contamination in the dispensing process caused by microorganisms and particles, and also eliminates potential hazard caused by highly allergenic drugs to medical staff that occur during infusion preparation process. In addition, it takes less than 20 seconds from preparation to use, shortening the dispensing time by 90% and enabling it to respond quickly to emergency situations, such as to be widely used in hospital emergency departments and ICUs. It is widely recognized as the safest, most reliable and convenient infusion product in clinical application, and is one of the new formulations with the most development potential in the pharmaceutical industry.

The non-PVC solid-liquid double chamber bag has high technology barriers in research and development (“**R&D**”), long development cycle, and high production difficulty. Currently, only a few companies in the world can produce it. According to the data of the National Medical Products Administration (NMPA), only three companies have been approved to launch this Product in China. Beijing Ruiye’s non-PVC solid-liquid double chamber bag products were successfully approved for launch in China in 2019 as the first of its kind produced domestically. Beijing Ruiye has taken the lead in researching and developing the Products in the industry and it has become the company with the largest number of the Products approved for launch in China.

The non-PVC solid-liquid double chamber bag products are in early stage of development in China. But the infusion market has a huge base in China, with annual consumption exceeding 10 billion bags (bottles). With more approval of new non-PVC solid-liquid double chamber bag products for launch, their gradual inclusion into the NRDL, and the increasing willingness of patients to use Products year by year, the market penetration of non-PVC solid-liquid double chamber bag products in China will accelerate. It is expected that the Product will have a broad market sales prospects, with huge market potential. According to IQVIA data, the market size of cephalosporin injections in China reached nearly RMB40 billion in 2021. The cephalosporin solid-liquid double chamber bag products, leveraging on their excellent clinical advantages, are expected to replace existing products to a certain extent, with huge market potential in the future.

ABOUT BEIJING RUIYE

Beijing Ruiye Pharmaceutical Co., Ltd. was founded in 1999, headquartered in Beijing Economic and Technological Development Zone, has been committed to the R&D of solid-liquid double chamber bag products. In 2019, the first domestic solid-liquid double chamber bag product was approved for launch, achieving a breakthrough in localization, promoting the introduction of the “Key Points for Technical Evaluation of solid-liquid double chamber bag products”, leading the establishment of industry standards for solid-liquid double chamber bag products in China. In 2019, Beijing Ruiye Pharmaceutical (Qianshan) Co., Ltd. was founded to build the largest solid-liquid double chamber bag products base in China. In the same year, it acquired Qianshan Pharmaceutical Development Co., Ltd., and was responsible for national investment solicitation and sales management. Beijing Ruiye has become a technology-based pharmaceutical enterprise that integrates the R&D, production, and sales of solid-liquid double chamber bag products.

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 company led 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 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, 9 January 2024

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.