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YiChang HEC ChangJiang Pharmaceutical Co., Ltd.

宜昌東陽光長江藥業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01558)

SUPPLEMENTAL ANNOUNCEMENT POSITIVE PROFIT ALERT

This announcement is made for the purpose of the Takeovers Code in relation to the positive profit announcement of YiChang HEC ChangJiang Pharmaceutical Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on 12 March 2024 (the “**Profit Alert Announcement**”) in relation to, inter alia, the Group’s expected increase in profit before tax and net profit attributable to the parent company for the year ended 31 December 2023 (the “**Profit Alert**”).

Reference is made to the announcement dated 8 March 2024 (the “**Rule 3.7 Announcement**”) in relation to, inter alia, the possible merger by absorption of the Company by way of share exchange (the “**Possible Merger**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Rule 3.7 Announcement.

As the Profit Alert was announced during the offer period of the Possible Merger, it constitutes a profit forecast under Rule 10 of the Takeovers Code and should therefore be reported on by the Company’s financial adviser and auditor or accountant in accordance with Rule 10.4 of the Takeovers Code. However, pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the Company is required to issue the Profit Alert Announcement as soon as practicable and therefore the Company has encountered genuine practical difficulties (time-wise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code. The Profit Alert Announcement should have been submitted to the Executive for review under Rule 12.1 of the Takeovers Code and in compliance with Practice Note 2 to the Takeovers Code before publication and the Company has taken appropriate steps to ensure this will not occur again, and will carefully observe the requirements of the Takeovers Code going forward.

Pursuant to Rule 10.4 of the Takeovers Code and Practice Note 2 to the Takeovers Code, as the Profit Alert was published first in an announcement, it must be repeated in full together with the reports from the Company's financial adviser and auditor or accountant on the Profit Alert in the next document to be sent to the shareholders of the Company (the "Shareholders' Document"). However, it is expected that the Company's announcement of annual results for the year ended 31 December 2023 (the "Annual Results Announcement"), which falls within the ambit of Rule 10.9 of the Takeovers Code, will be published prior to the despatch of the next Shareholders' Document. If this is the case, the requirement under Rule 10 of the Takeovers Code to report on the Profit Alert will no longer apply.

WARNING: Shareholders and potential investors of the Company should note that the Profit Alert is unaudited and has not been reported on by the Company's financial adviser and its accountant or auditor, and hence does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors should therefore exercise caution in placing reliance on the Profit Alert in assessing the merits and demerits of the Possible Merger and the Possible Listing. There is no assurance that the Possible Merger or the Possible Listing will materialise or eventually be consummated, and any future discussion between Sunshine Lake Pharma and the Company in relation to the Possible Merger or the Possible Listing may or may not result in the privatisation and delisting of the Company from the Stock Exchange or the listing of the New H Shares on the Main Board of the Stock Exchange. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisors.

By order of the Board
YiChang HEC ChangJiang Pharmaceutical Co., Ltd.
TANG Xinfu
Chairman

Hubei, the People's Republic of China
15 March 2024

As at the date of this announcement, the Board consists of Mr. JIANG Juncai, Mr. WANG Danjin, Mr. LI Shuang and Mr. CHEN Hao as executive directors; Mr. TANG Xinfu as a non-executive director; and Mr. TANG Jianxin, Ms. XIANG Ling and Mr. LI Xuechen as independent non-executive directors.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.