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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

PRINCIPAL FINANCIAL INFORMATION OF JIANGZHONG PHARMACEUTICAL FOR THE YEAR ENDED 31 DECEMBER 2019

On 21 March 2020, Jiangzhong Pharmaceutical released its annual report for the year ended 31 December 2019.

Jiangzhong Pharmaceutical Co., Ltd.（江中藥業股份有限公司）("**Jiangzhong Pharmaceutical**") is a company incorporated in the People's Republic of China. The shares of Jiangzhong Pharmaceutical are listed on the Shanghai Stock Exchange. As of the date of this announcement, Jiangzhong Pharmaceutical is indirectly owned as to approximately 43.03% by China Resources Pharmaceutical Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") and is a subsidiary of the Company.

On 21 March 2020, Jiangzhong Pharmaceutical released its annual report for the year ended 31 December 2019 (the "**Jiangzhong Pharmaceutical Audited Annual Financials**"). Set out below are the key financial information of the Jiangzhong Pharmaceutical Audited Annual Financials:

	As of 31 December 2019 *(RMB)* (audited)	As of 31 December 2018 *(RMB)* (audited)	**Increase/ decrease** *(%)*
Total assets	**4,759,193,757.25**	3,816,971,960.48	24.69%
Net assets attributable to shareholders of the listed company	**3,560,628,579.69**	3,253,296,386.76	9.45%
	For the year ended 31 December		**Increase/**
	2019 *(RMB)* (audited)	2018 *(RMB)* (audited)	**decrease** *(%)*
Revenue	**2,449,404,442.61**	1,755,229,022.31	39.55%
Net profit attributable to the shareholders of the listed company	**463,596,527.40**	470,248,224.88	-1.41%
Net profit attributable to the shareholders of the listed company (exclude extraordinary gains or losses)	**432,607,210.22**	456,151,765.06	-5.16%
Net cash flow from operating activities	**641,177,784.05**	486,245,960.63	31.86%
Basic earnings per share *(RMB/share)*	**0.88**	0.90 *(1)*	-2.22%
Diluted earnings per share *(RMB/share)*	**0.88**	0.90 *(1)*	-2.22%
Weighted average return on net asset *(%)*	**13.63%**	15.25%	-1.62 percentage point

Note (1): After the implementation of the "2018 Company Profit Distribution Policy" by Jiangzhong Pharmaceutical in June 2019, total share capital increased from 420,000,000 shares to 525,000,000 shares. Pursuant to the requirements under the Rules for Information Disclosure and Compilation of Companies Publicly Issuing Securities No.9 – Calculation and Disclosure of Return on Equity and Earnings per Shares (Revised in 2010) (《公開發行證券的公司信息披露編報規則第9號—淨資產收益率和每股收益的計算及披露(2010年修訂)》) issued by the CSRC, basic earnings per share, diluted earnings per share and basic earnings per share after non-recurring gains and losses attributable to the shareholders of listed companies for each of the comparative periods shall be re-calculated based on the adjusted number of shares in 2019.

As determined by the board of directors of Jiangzhong Pharmaceutical, Jiangzhong Pharmaceutical proposed to distribute a cash dividend of RMB3 (inclusive of tax) for every 10 shares and 2 bonus shares for every 10 shares (inclusive of tax) to all shareholders of Jiangzhong Pharmaceutical based on the aggregate share capital of 525,000,000 shares as of 31 December 2019. Such proposal shall be submitted for shareholders' approval at Jiangzhong Pharmaceutical's 2019 annual general meeting.

The Jiangzhong Pharmaceutical Audited Annual Financials have been prepared and audited in accordance with the PRC Generally Accepted Accounting Principles. The financial information is limited to Jiangzhong Pharmaceutical 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 Jiangzhong Pharmaceutical Audited Annual Financials, please refer to the annual report for the year ended 31 December 2019 published by Jiangzhong Pharmaceutical on the website of the Shanghai Stock Exchange (www.sse.com.cn).

By order of the Board of Directors
China Resources Pharmaceutical Group Limited
WANG Chuncheng
Chairman

Hong Kong, 22 March 2020

As of the date of this announcement, the Board of Directors of the Company comprises Mr. WANG Chuncheng as chairman and non-executive Director, Mr. HAN Yuewei, Mr. LI Xiangming and Mdm. WENG Jingwen as executive Directors, Mr. YU Zhongliang, Mdm. GUO Wei, Mr. WANG Shouye and Mr. LYU Ruizhi 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.