



**China Grand Pharmaceutical and Healthcare Holdings Limited**

**遠大醫藥健康控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00512)**

**GP (HK) Announces Positive Profit Alert**

**The Expected Increase in Consolidated Net Profit Attributable to Owners of the Company for FY2020 No Less Than 40%**

(February 21, 2021 - Hong Kong) China Grand Pharmaceutical and Healthcare Holdings Limited (“GP (HK)” or the “Company”, together with its subsidiaries, the “Group”, stock code: 00512) is pleased to announce that for the year ended 31 December 2020, it is expected that the consolidated net profit attributable to owners of the Company recorded an increase of not less than 40% compared with the corresponding period in 2019 (FY2019: approximately HK\$1,151 million). The Group can still maintain rapid growth in net profit under the impact of COVID-19 and substantial increment in research and development costs.

The reason for financial results maintained growing in a good shape is mainly attributable to: 1) the Group continuously optimizes the profit structure, continuously develops the Group’s strategy in the development of innovative and barrier medicines and puts more efforts in the sales of innovative high barrier products and high profit margin products; 2) the Group continuously develops markets other than hospital and reinforce the cooperation with e-commerce platforms, which resulted substantial growth in turnover of OTC drugs from e-commerce platforms and wholesale drug stores; 3) the fair value change of investment portfolio in listed companies of the Group contributes increment of investment income.

**The Board of China Grand Pharmaceutical and Healthcare Holdings Limited**, commented: “Facing the severe impact of COVID-19 pandemic in 2020, the Group's net profit that maintained rapid growth has reconfirmed competitive advantages and fruitful results of GP (HK)’s strategy in the development of innovative high barrier products. Additionally, the Group insists on adapting to the development and changes of the industry, continuously exploring on market demand, increasing the proportion of high gross profit margin products, and constantly expanding sales network, so as to further improve the profitability. Looking ahead, the Group will stick to patients-centered and innovation-driven as the momentum, give full play to its comprehensive strengths, enhance investment in research and development, further introduce advanced technology and products, as well as enrich the product pipeline of innovative and high barrier drugs and expand business presence, thus to strengthen competitiveness and bring greater returns for our shareholders and investors.”

**-End-**

**About China Grand Pharmaceutical and Healthcare Holdings Limited (00512):**

China Grand Pharmaceutical and Healthcare Holdings Limited is a diversified global pharmaceutical enterprise sticking to patients-centered, market-oriented and innovation-driven, principally engaged in the R&D, manufacturing and sales of pharmaceutical products, advanced medical devices, specialized pharmaceutical ingredients, bio-technology products, and nutritional products. Its core product portfolio covers several major therapeutic areas including cerebro-cardiovascular emergency, respiratory and Ear, Nose & Throat (the “ENT”) as well as ophthalmic treatments and selective internal radiation therapy for tumor treatment. With the strategy of “global expansion and dual-cycle operation”, GP(HK) has formed a new pattern of domestic and international cycles that synergize with each other. The Group is committed to becoming an international technological innovation-based pharmaceutical company through organic growth and mergers and acquisitions of international innovative quality projects, delivering on its promises for doctors and patients, and making significant contributions to the society.

For further information, please refer to GP (HK)’s website at <http://www.chinagrandpharm.com>

This press release is issued by **Financial PR (HK) Limited** on behalf of **China Grand Pharmaceutical and Healthcare Holdings Limited**.

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*\*For identification purpose only*

