



CSPC Pharmaceutical Announces 2019 Annual Results

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***Profit Attributable To Shareholders Increased 20.6% to RMB3,714 Million
Innovative Drug Business Continued to Deliver Strong Growth
New Products Launched Helped to Sustain Growth***

HONG KONG, 30 March 2020 – **CSPC Pharmaceutical Group Limited** (HKEx: 01093) (“CSPC Pharmaceutical” or the “Group”) is pleased to announce its annual results for the year ended 31 December 2019. For the current year, the Group recorded a revenue of RMB22,103 million, representing an increase of 24.8% year-on-year, and profit attributable to shareholders of RMB3,714 million, up 20.6% year-on-year. Basic earnings per share was RMB59.65 cents.

During the year, the Group continued to expand the dedicated sales force and accelerate market expansion in major cities and hospitals. Through sales strategies including stepping up market penetration into county-level hospitals, rapidly establishing strong sales teams for new products, emphasising on the competitive edge from product differentiation and strengthening market expansion in different indications, innovative drug products managed to maintain a strong growth momentum and achieved sales of RMB12,975 million in 2019, representing a 48.4% growth. In particular, the sales of NBP increased by 35.8% and the sales of oncology drugs increased by 148.8%, becoming the dual engines of the Group’s growth.

In respect of common generic drug business, the Group continued with the strategy of enhancing sales mix by strengthening the promotion of non-antibiotic drugs and expanding the product line of oral formulation for chronic diseases. The Group also actively pushed forward the consistency evaluation for key products, with 17 drugs passing during the year (cumulative 23). During the year, common generic drug products achieved sales of RMB4,962 million, representing a 4.2% growth year-on-year.

The strong R&D capability and rich pipeline of drugs under development enable the Group to have a continuous launch of new products. Most of the products newly launched in 2019 including Daxinning (dronedarone hydrochloride tablets), Shuanling (Pentoxifylline injection/tablets), Meiluolin (ticagrelor tablets), Gubangjia (alendronate sodium-vitamin D3 tablets), Gaoshunsong (acemetacin extended-release capsules), Qixiao (arbidol hydrochloride tablets), Luoruite (erlotinib hydrochloride tablets) and Enxi (pramipexole hydrochloride tablets) are exclusive or first-to-market products in China. With high clinical demands, these products are expected to become new growth drivers of the Group.

The Group firmly believes in the importance of investing in research and development. The R&D expenses for the year amounted to RMB2,000 million, representing an increase of 49.1% and accounting for approximately 11.2% of the finished drug business revenue. At present, there are more than 300 projects in the pipeline, of which over 40 are innovative small molecule drugs, over 50 are innovative macromolecule drugs and over 20 are drugs of new preparation, primarily focusing on the therapeutic areas of oncology, autoimmunity, psychiatry and neurology, digestion and metabolism, cardio-cerebrovascular system and anti-infectives.

During the year, 10 drugs were granted drug registration approval in China, while 27 drug candidates were pending drug registration approvals. As for international registration, 1 drug was granted U.S. NDA approval, 2 drugs granted U.S. ANDA approval and 6 drugs candidates are pending approval.

16 new drug candidates, including 7 innovative small molecule drug candidates, 5 innovative macromolecule drug candidates and 4 new preparations, were granted clinical trial approvals, of which 12 in China and 4 in the U.S. and Australia, further enriching the clinical pipeline of new drugs. At present, 42 products are under clinical trials, including 31 innovative drugs and 11 new preparations.

Apart from in-house research and development, the Group has also been proactively seeking external cooperation and acquisition opportunities. During the year, the Group has entered into multiple products cooperation / license-in agreements, providing strong support for the future growth.

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About CSPC Pharmaceutical Group Limited

CSPC Pharmaceutical Group Limited is a leading pharmaceutical group in China. The Company has been listed on the Main Board of the Hong Kong Stock Exchange since 1994 and has become a constituent stock of Hang Sang Index since June 2018. CSPC Pharmaceutical is a leading player of innovative and common generic drugs in China. Major products include "NBP", "Duomeisu", "Jinyouli" and "Keaili". It is also a major manufacturer of bulk drugs, principal products including vitamin C, caffeine and antibiotics. The production facilities of CSPC Pharmaceutical are mainly located in Shijiazhuang City, Hebei Province, China. For more information, please visit its website at <http://www.cspc.com.hk>.