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上海醫藥集團股份有限公司

Shanghai Pharmaceuticals Holding Co., Ltd.*

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

(Stock Code: 02607)

**ANNOUNCEMENT
ADJUSTMENT TO THE TOTAL DISTRIBUTION AMOUNT
UNDER THE 2021 PROFIT DISTRIBUTION PLAN**

We refer to the 2021 annual results announcement of Shanghai Pharmaceutical Holding Co., Ltd. (the **“Company”**) dated 30 March 2022 (the **“Announcement”**) in relation to, among other things, the 2021 profit distribution plan (the **“Original Plan”**) proposed by the board of directors of the Company. Unless otherwise defined herein, the terms used in this announcement shall have the same meanings as defined in the Announcement.

Pursuant to the Original Plan, the Company proposed to distribute a cash dividend of RMB4.20 (tax inclusive) for every ten Shares to all the Shareholders. As of the date on which the board of directors of the Company considered and approved the 2021 annual results, the total proposed cash dividend of RMB1,193,827,293.12 (tax inclusive) should be distributed based on the total share capital of the Company of 2,842,445,936 Shares upon exercise of share options, accounting for 23.44% of the consolidated net profit attributable to Shareholders of the listed company for the year. After such distribution, the balance of the consolidated undistributed profit of the Company would be RMB27,404,770,741.55.

On 8 April 2022, the Company completed the registration in relation to the non-public issuance of A Shares (the **“Non-Public Issuance of A Shares”**). 852,626,796 Shares were added to the share capital of the Company due to the Non-public Issuance of A Shares. In addition, 434,517 Shares were added to the share capital of the Company due to the exercise of the share options. The total share capital of the Company changed to 3,695,507,249 Shares upon such changes.

The Company has adjusted the total amount of distribution under the Original Plan in the principle of no change to the distribution ratio per Share. As of the date of this announcement, the proposed total cash dividend was adjusted to RMB1,552,113,044.58 (tax inclusive) based on the total share capital of the Company of 3,695,507,249 Shares, accounting for 30.47% of the consolidated net profit attributable to Shareholders of the listed company for the year. After such distribution, the balance of the consolidated undistributed profit of the Company will be RMB27,046,484,990.09.

If the total share capital of the Company changes during the period up to the record date regarding the execution of the profit distribution (the **“Record Date”**), the Company intends to maintain the distribution amount per Share unchanged based on the total share capital on the Record Date and the total profit distribution amount will be adjusted accordingly.

The above profit distribution plan is subject to the approval of the general meeting of the Company.

By order of the Board
Shanghai Pharmaceuticals Holding Co., Ltd.*
ZHOU Jun
Chairman

Shanghai, the PRC, 18 April 2022

As of the date of this announcement, the executive Directors of the Company are Mr. CHO Man, Mr. LI Yongzhong and Mr. SHEN Bo; the non-executive Directors are Mr. ZHOU Jun, Mr. GE Dawei and Ms. LI An; and the independent non-executive Directors are Mr. CAI Jiangnan, Mr. HONG Liang, Mr. GU Zhaoyang and Mr. Manson FOK.

** For identification purpose only*