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石四藥集團有限公司 SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2005)

UNAUDITED OPERATING RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

This announcement is made by SSY Group Limited (the “Company”) pursuant to Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Listing Rules.

The board of directors (the “Board”) of the Company is pleased to announce the following unaudited operating results of the Company and its subsidiaries (together, the “Group”) for the nine months ended 30 September 2022 based on its management accounts which have not been audited or reviewed by the auditor of the Company.

The unaudited turnover of the Group for the nine months ended 30 September 2022 increased by 24.2% as compared with the same period of 2021 to approximately HK\$4,873 million (same period of 2021: approximately HK\$3,922 million). The unaudited gross profit of the Group for the nine months ended 30 September 2022 was approximately HK\$2,742 million (same period of 2021: approximately HK\$2,345 million), representing an increase of 16.9% as compared with the same period of 2021. The unaudited gross profit margin of the Group for the nine months ended 30 September 2022 was approximately 56.3%, representing a decrease of 3.5 percentage point as compared with the same period of 2021 mainly because bulk pharmaceuticals, which had a gross profit margin lower than drug preparations, constituted an increased proportion of unaudited turnover of the Group.

For the nine months ended 30 September 2022, the abovementioned unaudited turnover of the Group of approximately HK\$4,873 million was comprised of the following:

For the nine months ended 30 September 2022	Unaudited turnover (HK\$)	Increase / (decrease) from same period of 2021	% of unaudited turnover
IV solution products (including subcontracting products)			
Non-PVC soft bag IV solution	1,410 million	11.5%	28.9%
Upright soft bag IV solution	488 million	11.9%	10.0%
PP plastic bottle IV solution	622 million	13.5%	12.8%
Glass bottle IV solution	176 million	6.3%	3.6%
Non-IV solution products			
Ampoule injection	704 million	(17.6)%	14.4%
Bulk pharmaceuticals	1,085 million	198.8%	22.3%
Medical materials and other products & services	388 million	33.5%	8.0%

For the nine months ended 30 September 2022, the Group's unaudited profit attributable to the shareholders of the Company (the "Shareholders") increased by 65.2% as compared with the same period of 2021 to approximately HK\$836 million (same period of 2021: approximately HK\$506 million) mainly due to the followings: (i) as compared with the same period of 2021, unaudited turnover of bulk pharmaceuticals increased significantly by 198.8%, among which, unaudited turnover of caffeine products series increased significantly by 277.8%, making a greater contribution to the Group's unaudited profit attributable to the Shareholders and (ii) as compared with the same period of 2021, there was a drop in selling expense ratio (which is unaudited selling expense divided by unaudited turnover) mainly because of the increase in unaudited turnover of bulk pharmaceuticals.

Shareholders and potential investors should note that all financial information contained in this announcement is unaudited. Accordingly, such information shall in no way be regarded as to provide any indication of the audited financial results of the Group for the nine months ended 30 September 2022 or any assurance on such audited financial results. Such information may differ from the information to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or half-yearly basis due to various uncertainties during the process of compiling such operating results information.

Shareholders and potential investors are advised to exercise caution in dealing in the securities of the Company.

On behalf of the Board

Chow Hing Yeung

Executive Director and Company Secretary

Hong Kong, 19 October 2022

As at the date of this announcement, the Board comprises Mr. Qu Jiguang, Mr. Su Xuejun, Mr. Meng Guo and Mr. Chow Hing Yeung as executive Directors, Mr. Feng Hao as non-executive Director and Mr. Wang Yibing, Mr. Leung Chong Shun and Mr. Chow Kwok Wai as independent non-executive Directors.