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Sinopharm Tech Holdings Limited

國藥科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8156)

VOLUNTARY ANNOUNCEMENT IN RELATION TO ESTABLISHING A JOINT VENTURE WITH GUANGDONG TONGGUANYI NETWORK TECHNOLOGY CO., LTD.

This announcement is made by Sinopharm Tech Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The board of directors of the company (the “**Board**”) is pleased to announce that on 16 December 2022, the Company and Guangdong Tongguanyi Network Technology Co., Ltd. (“**Passeasy**”) entered into a joint venture agreement (the “**JV Agreement**”) to establish a joint venture (the “**JV**”), mainly for the development of digital customs declaration platform and one-stop customs declaration services (including customs declaration, logistics and goods tracking, etc.), supply chain and other related business areas. The formation of the JV is a new opportunity for the Group in the “Internet Plus” business, which marks the acceleration of the Group’s application of the “Internet Plus” business in different business models.

PRINCIPAL TERMS OF THE JV AGREEMENT

The principal terms of the JV Agreement are as follows:

Signing date	:	16 December 2022
Contracting parties	:	The Company and Passeasy
Equity in the JV	:	The Group and Passeasy will hold 51% and 49% of the equity in the JV respectively

The main business of the JV : Mainly engaged in the development of digital customs declaration platform system and one-stop customs declaration service (including customs declaration, logistics and goods tracking, etc.), supply chain and other related business areas

The roles played by the parties :
1. Passeasy will use the self-developed “Passeasy Digital Customs Declaration Platform” and “Tengyitong” 「騰翼通」 system to provide a technical foundation for the JV
2. The Group will make use of its own advantages in “Internet Plus” to formulate market strategies and accelerate the nationwide coverage of the digital customs declaration platform

Place of registration of the JV : Mainland China

The JV will apply for the relevant approvals and authorizations required for its establishment and operation.

The Board is of the view that the JV Agreement was entered into on normal commercial terms in the ordinary and usual course of business and after arm's length negotiations of the Company.

To the best of the knowledge, information and belief of the Board having made all reasonable enquiries, Passeasy is independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on GEM (“GEM”) of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”)) and is not connected with them.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV

The Group has been continuously exploring opportunities for “Internet Plus” business development, including negotiating with industry participants on “Internet Plus” solutions and conducting in-depth discussions in various fields, so as to expand the Group's business scope and development opportunities. Through the JV with Passeasy, the Group will expand its existing “Internet Plus” solution business to digital customs declaration and overall customs declaration and logistics solution services, providing users with new, more professional and safer digital customs declaration services experience.

Through the unique advantages of each party, the Board believes that the JV will create advantages by utilizing the existing market network of Passeasy and the self-developed “Passeasy Digital Customs Declaration Platform” and “Tengyitong” 「騰翼通」 system; and the Group will accelerate the nationwide coverage of the digital customs declaration platform system through the “Internet Plus” business experience and marketing strategy, so as to enhance the customer base and recognition of the system brand, and develop for the JV and

the Group new development opportunities in the “Internet Plus” business.

ABOUT THE GROUP

The principal activities of the Group are the provision of (i) lottery related services; (ii) “Internet Plus” services (solutions and supply chain); and (iii) manufacturing and distribution of personal protective equipment. The Group continues to carry out the overall planning and layout of the “Internet Plus” business. With the Group's years of experience in the “Internet Plus” business, the Group is working with various platform operators to expand the “Internet Plus” supply chain service territory. The Group is carrying out business related to service agreements signed with platform operators in Mainland China and provides one-stop product supply chain services.

ABOUT PASSEASY

Guangdong Tongguanyi Network Technology Co., Ltd. is an innovative “Internet Plus” enterprise dedicated to providing high-quality digital customs declaration services for users with import and export needs based on Internet information technology. Passeasy independently built the “Passeasy Digital Customs Declaration Platform” in the Software-as-a-Service (SaaS) model. The platform realizes comprehensive support for computer terminals, mobile applications (APPS) and mini programs. The platform system has covered more than 1,300 import and export ports in China and is being promoted and expanded nationwide through the service provider franchise model, supporting online and offline digital customs declaration services at all import and export ports in China. Passeasy has also partnered with Tencent Qidian to build a professional customs declaration system “Tengyitong”「騰翼通」 for import and export logistics. Through “Tengyitong”「騰翼通」, it can fully integrate the advantages of Tencent Qidian and Tongguanyi digital customs declaration platform, and realize the core functional service of real-time customs declaration on Tencent QQ online.

IMPLICATIONS OF THE GEM LISTING RULES

Since all applicable percentage ratios under Rule 19.07 of the GEM Listing Rules are less than 5% in relation to the establishment of the JV, the JV Agreement and the transactions contemplated thereunder, the entering into of the JV Agreement and the transactions contemplated thereunder do not constitute a notifiable transaction under Chapter 19 of the GEM Listing Rules.

By order of the Board
Sinopharm Tech Holdings Limited
國藥科技股份有限公司
CHAU Wai Wah Fred
Executive Director

Hong Kong, 19 December 2022

As at the date of this announcement, the Board comprises Mr. CHAU Wai Wah Fred, Mr. HO Kam Kin and Ms. KWOK Shuk Yi as executive Directors, Dr. CHENG Yanjie as non-executive Director and Mr. LAU Fai Lawrence, Dr. LIU Ta-pei and Mr. LAM Kit Sun as independent non-executive Directors.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the website of the Company at www.sinopharmtech.com.hk.