

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA PIONEER PHARMA HOLDINGS LIMITED

中国先锋医药控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01345)

VOLUNTARY ANNOUNCEMENT

INVESTMENT IN DALIAN 600,000-TON STEEL

RUST REMOVAL PROJECT

On 26 June 2022, Mr. LI Xinzhou, chairman of China Pioneer Pharma Holdings Limited (the “**Company**”), on behalf of Hunan Tiantong Environmental Protection Co., Ltd. (湖南天童環保有限公司) (“**Tiantong Environmental Protection**”), a subsidiary of the Company, entered into a contract with Mr. He Xiaoguang (赫曉廣), general manager of Dalian Xinxindingnuo Trading Co., Ltd. (大連鑫鑫鼎諾商貿有限公司) (“**Xinxindingnuo**”), to invest in a set of production lines. The production lines can process phosphorus and rust removal and passivation for 600,000 tons of steel special-shaped parts per year and will provide ECD acid-free cleaning service for Xinxindingnuo and Dalian Xinhongli Marine Engineering Co., Ltd. and acid-free cleaning and cold zinc coating services for other ship enterprises, with an expected maximum output value of RMB1.0 billion.

Dalian is an important shipbuilding industry, heavy industry machinery and automobile engine manufacturing center in China, with over 3 million tons of carbon steel strip as well as special-shaped parts of ships and automobiles in need of phosphorus and rust removal every year. Traditional acid cleaning process, with its complicated waste acid treatment, poor working environment and serious environmental problems including generation of wastewater, slag and exhaust gas, has been explicitly restricted and banned by National Development and Reform Commission of China. The ECD acid-free cleaning technology developed by Tiantong Environmental Protection with full intellectual property rights was submitted to China National Intellectual Property Administration for 13 invention and utility model patents and identified as a high-tech product by China Environmental Protection Association on 27 February 2022, assessed to be at the international advanced level. It can fully replace acid cleaning without generation and emission of sewage, exhaust gas and solid waste. Tiantong Environmental Protection is applying for the National Metal Surface Treatment Engineering R&D Center.

Xinxindingnuo, located at the south courtyard of Paoya Steel Market in Ganjingzi District, Dalian, is the largest spot steel sales enterprise in Dalian, mainly engaged in angle steel, U-steel, I-beam, H-beam, square pipe, flat iron, steel square, welded pipe, plate, thread, etc. with nearly 10,000 tons of spot in stock. Leveraging its strong financial strength and wide business scope, it undertakes all kinds of large, medium and small-sized projects and produces steel materials for processing enterprises. It has been supplying steel materials to many large and well-known factories and enterprises in China, such as Shanghai Baosteel Steel Structure Engineering Co., Ltd (上海寶鋼鋼構工程有限公司), Shanghai MCC Steel Structure Co., Ltd (上海中冶鋼構有限公司), Dalian CIMC Logistics Equipment Co., Ltd. (大連中集物流裝備有限公司), Hengli Petrochemical (Dalian) Refinery Co., Ltd. (恒力石化(大連)煉化有限公司), Dalian Shipbuilding Industry Group Shipping Engineering Co., Ltd. (大連船舶重工集團船務工程有限公司) and CSIC Material Trade Group Co., Ltd. (中船重工物資貿易集團有限公司).

By order of the Board
China Pioneer Pharma Holdings Limited
LI Xinzhou
Chairman

Hong Kong, 28 June 2022

As at the date of this announcement, Mr. LI Xinzhou, Mr. LUO Chunyi and Mr. XIAO Guoguang are executive directors, Ms. HU Mingfei is a non-executive director and Mr. ZHANG Hong, Mr. WONG Chi Hung, Stanley and Mr. LAI Chanshu are independent non-executive directors.