
Flooding at Longlife Plant caused by torrential rain

The Board of Directors (“**Board**”) of Pharmesis International Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) wishes to announce that one of its manufacturing facilities located in Gulin county, Luzhou City, Sichuan Province, Peoples’ Republic of China (“**Longlife Plant**”) has been affected by the severe flash flooding arising from the torrential rain in Gulin county yesterday.

All employees are safe from the hazards caused by the torrential rain but the production facilities at Longlife Plant were affected. Temporary work stoppages at the Longlife Plant is for a currently undetermined duration as the damage caused by the flood is still being assessed. The Group’s other manufacturing facilities remain operational. The flash flood has damaged the production equipment and inventory, and the extent of the damage is currently being ascertained.

The management is currently trying to assess the full impact of the flooding on its production lines at the Longlife Plant and plans to resume production as soon as possible. The management is also taking measures to mitigate the impact of the temporary work stoppages and damage caused to the production equipment and inventory. The Group’s insurance company has been notified and will be assessing the claim and damages in due course.

The Board wishes to highlight that whilst the impact assessment of the flooding at the Longlife Plant is being carried out, it envisages that production at Longlife Plant will be temporarily disrupted and will resume after the production equipment are repaired. The Group will continue to monitor the situation closely. Further announcement(s) on the matter will be made by the Company as appropriate.

BY ORDER OF THE BOARD

Wu Xuedan
Executive Director and Chief Executive Officer
27 July 2023