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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)

ANNOUNCEMENT

ENTERING INTO THE COMMON STOCK PURCHASE AGREEMENT WITH NOVABAY PHARMACEUTICALS, INC.

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. Reference is made to the Prospectus.

The Board is pleased to announce that, on 25 November 2013, Pioneer Singapore entered into the Common Stock Purchase Agreement with NovaBay in relation to, among other things, the cancellation of the warrants and obligations under the Warrant Amendment Agreement and the issuance and purchase of 5,000,000 Shares of NovaBay at an aggregate purchase price of US\$5,700,000, subject to the terms and conditions of the Common Stock Purchase Agreement.

The transaction contemplated under the Common Stock Purchase Agreement does not constitute a notifiable transaction under Chapter 14 and Chapter 14A of the Listing Rules.

Attention: Shareholders and potential investors of the Company should note that the transaction contemplated under the Common Stock Purchase Agreement is subject to the fulfillment of a number of conditions, and accordingly, may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

INTRODUCTION

We refer to the prospectus (the “**Prospectus**”) issued by China Pioneer Pharma Holdings Limited (the “**Company**”) dated 24 October 2013 relating to the listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

On 9 May 2013, Pioneer Singapore and NovaBay entered into a warrant amendment agreement (the “**Warrant Amendment Agreement**”) whereby Pioneer Singapore agreed to exercise all of its warrants (the “**Warrants**”) granted under the Unit Purchase Agreement to purchase 2,000,000 shares of NovaBay’s common stock (the “**Share**”) for a total subscription price of US\$3 million no later than 29 November 2013.

The board of directors of the Company (the “**Board**”) is pleased to announce that, on 25 November 2013, Pioneer Singapore entered into a common stock purchase agreement (the “**Common Stock Purchase Agreement**”) with NovaBay in relation to, among other things, the cancellation of the Warrants and obligations under the Warrant Amendment Agreement and the issuance and purchase of 5,000,000 Shares at an aggregate purchase price of US\$5,700,000, subject to the terms and conditions of the Common Stock Purchase Agreement.

THE COMMON STOCK PURCHASE AGREEMENT

Date: 25 November 2013

Parties: Pioneer Singapore, as purchaser

NovaBay, as issuer and seller

Number of Shares: 5,000,000

Consideration: At the purchase price of US\$1.14 per Share; and the aggregate purchase price for the Shares is US\$5,700,000

The consideration was determined after arm’s length negotiations between the parties to the Common Stock Purchase Agreement (the “**Parties**”) after taking into account a number of factors including, among other things, the average closing price of NovaBay’s Shares for the last ten (10) consecutive trading days immediately preceding the date of the Common Stock Purchase Agreement, the current financial position and performance of NovaBay, NovaBay’s business prospects, as well as the established business relationship between the Company and NovaBay.

Principal Terms: (i) Subject to the terms and conditions of the Common Stock Purchase Agreement, NovaBay agrees to issue and sell to Pioneer Singapore, and Pioneer Singapore agrees to purchase from NovaBay, the 5,000,000 Shares at a purchase price of US\$1.14 per Share;

- (ii) Upon completion of the sale and purchase of the Shares (the “**Completion**”), Pioneer Singapore shall deliver the Warrants to NovaBay, and the Warrants shall be cancelled, and Pioneer Singapore’s obligations under the Warrant Amendment Agreement shall terminate;
- (iii) Upon Completion, NovaBay shall deliver to Pioneer Singapore a duly executed common stock certificate of NovaBay evidencing the Shares, and Pioneer Singapore shall deliver to NovaBay the aggregate purchase price of US\$5,700,000, by wire transfer; and
- (iv) In the event of a stock split, reverse stock split, stock dividend and the like (each, a “**Recapitalization Event**”), the number of Shares to be issued thereunder, and the purchase price at which such Shares are to be issued, shall be appropriately adjusted so that the aggregate purchase price for the Shares remains US\$5,700,000 and the number of shares of common stock issuable pursuant thereto shall equal the number of shares of common stock that would be held by Pioneer Singapore after such Recapitalization Event had the Shares been issued to Pioneer Singapore immediately prior to such Recapitalization Event

Conditions Precedent:

The Completion shall be conditional on, among other things, the conditions therein having been fulfilled or waived on or before the Completion date, including, but not limited to, (i) the representations and warranties made by the Parties thereof being true and correct in all material respects; and (ii) the Parties having obtained all consents, permits and waivers necessary or appropriate for consummation of the transaction contemplated by the Common Stock Purchase Agreement

Completion:

Completion shall take place at 1:00 p.m., 2 December 2013 (U.S. Pacific Standard Time) (5:00 a.m., 3 December 2013, Hong Kong time) at the offices of NovaBay, 5980 Horton Street, Suite 550, Emeryville CA 94608, or at such other time or place as the Parties may mutually agree

INFORMATION ON THE COMPANY

The Company is one of the largest comprehensive marketing, promotion and channel management service providers dedicated to imported pharmaceutical products and medical devices in China.

INFORMATION ON NOVABAY

NovaBay (NYSE MKT:NBY) is a U.S. based clinical-stage biopharmaceutical company developing non-antibiotic antimicrobial products.

REASONS FOR ENTERING INTO THE COMMON STOCK PURCHASE AGREEMENT

In connection with the entering into the Common Stock Purchase Agreement and making such investment into NovaBay, NovaBay has expanded its licensing rights to the Company to cover the promotion and sale of two new products, CelleRx™ (for use in aesthetic dermatology) and i-Lid™ cleanser (for use in ophthalmological applications) in China and certain Southeast Asia countries, in addition to the NeutroPhase products.

The Company believes that the transaction will further enhance its business cooperation with NovaBay, better maintain their established relationship and further improve the Company's prospects for renewing or extending its exclusive right granted by NovaBay to market, promote and sell NovaBay's products in China and certain Southeast Asia markets.

The directors of the Company (the "**Directors**") are of the view that the terms and conditions of the Common Stock Purchase Agreement and the transaction contemplated therein are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, NovaBay and its ultimate beneficial owners are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company. Upon Completion, the Company will hold 7,113,812 NovaBay Shares in total, representing approximately 16.70% equity interest in NovaBay. As of the date of this announcement, none of the Directors holds any NovaBay Shares.

The transaction contemplated under the Common Stock Purchase Agreement does not constitute a notifiable transaction under Chapter 14 and Chapter 14A of the Listing Rules.

Attention: Shareholders and potential investors of the Company should note that the transaction contemplated under the Common Stock Purchase Agreement is subject to the fulfillment of a number of conditions, and accordingly, may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 25 November 2013

As at the date of this announcement, the directors of the Company are Mr. LI Xinzhou and Mr. ZHU Mengjun as executive Directors, Mr. LU Yuan, Mr. WU Mijia and Mr. ZHANG Wenbin as non-executive Directors and Mr. XU Zhonghai, Mr. LAI Chanshu and Mr. WONG Chi Hung, Stanley as independent non-executive Directors.