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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**

#### **DISCLOSEABLE TRANSACTIONS STRUCTURED DEPOSITS**

##### **STRUCTURED DEPOSITS**

On 30 December 2020, 13 January 2021 and the date of this announcement, Chongqing Pioneer, a wholly-owned subsidiary of the Company, entered into Structured Deposits Nos. 1, 2 and 3 respectively with the Bank, under which the Company entered into structured deposits of RMB20 million, RMB20 million and RMB24 million.

##### **LISTING RULES IMPLICATIONS**

For each of the Structured Deposits and for the aggregate of Structured Deposits No. 1 and No. 2, all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) are below 5%.

For the aggregate of the Structured Deposits, one or more of the applicable percentage ratios exceeds 5% but all of the ratios are below 25%. As such, the transactions thereunder constitute discloseable transactions of the Company and are subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

On 30 December 2020, 13 January 2021 and the date of this announcement, Chongqing Pioneer, a wholly-owned subsidiary of the Company, entered into Structured Deposits Nos. 1, 2 and 3 respectively with the Bank, under which the Company entered into structured deposits of RMB20 million, RMB20 million and RMB24 million.

### **STRUCTURED DEPOSIT NO. 1**

Parties:	Chongqing Pioneer; and  the Bank
	To the best of the knowledge, information and belief and having made all reasonable enquiries, it is confirmed that the Bank and its ultimate beneficial owners are third parties independent of the Group and its connected persons
Date:	30 December 2020
Amount of deposit:	RMB20 million, being funds not immediately in use from the internal resources of the Company, put into deposit having taken into account the operation and businesses of the Group and the requirements for funds in the immediate future
Term:	92 days
Deposit link and expected annualised rate of return:	The deposit is linked to the USD/JPY rate as shown on BFIX: Bloomberg FX Fixings at 15:00 Tokyo time every day, with an expected annualised rate of return ranging from 1.32% to 3.30%, payable to the depositors with the principal within 2 business days from maturity
	Expected annualised rate of return will be:  1.32% (fixed rate of return) + 1.98% x the number of days on which USD/JPY rate as shown on BFIX: Bloomberg falls within the range of the USD/JPY rate at 15:00 Tokyo time on first day of the Term $\pm 5.3 \div$ the total number of days of the Term
Type:	principal-guaranteed floating interest rate
Risk level assessment by the Bank:	Low
Termination and Redemption:	Depositors have no right of early termination or early redemption. The Bank may terminate on force majeure grounds

## STRUCTURED DEPOSIT NO. 2

Parties:	Chongqing Pioneer; and the Bank
Date:	13 January 2021
Amount of deposit:	RMB20 million, being funds not immediately in use from the internal resources of the Company, put into deposit having taken into account the operation and businesses of the Group and the requirements for funds in the immediate future
Term:	40 days
Deposit link and expected annualised rate of return:	The deposit is linked to the USD/JPY rate as shown on BFIX: Bloomberg FX Fixings at 15:00 Tokyo time every day, with an expected annualised rate of return ranging from 1.10% to 3.10%, payable to the depositors with the principal within 2 business days from maturity  Expected annualised rate of return will be:  $1.10\%$ (fixed rate of return) + $2.00\%$ x the number of days on which USD/JPY rate as shown on BFIX: Bloomberg falls within the range of the USD/JPY rate at 15:00 Tokyo time on first day of the Term $\pm 3.0 \div$ the total number of days of the Term
Type:	principal-guaranteed floating interest rate
Risk level assessment by the Bank:	Low
Termination and Redemption:	Depositors have no right of early termination or early redemption. The Bank may terminate on force majeure grounds

### STRUCTURED DEPOSIT NO. 3

Parties:	Chongqing Pioneer; and the Bank
Date:	9 February 2021
Amount of deposit:	RMB24 million, being funds not immediately in use from the internal resources of the Company, put into deposit having taken into account the operation and businesses of the Group and the requirements for funds in the immediate future
Term:	182 days
Deposit link and expected annualised rate of return:	The deposit is linked to the USD/JPY rate as shown on BFIX: Bloomberg FX Fixings at 15:00 Tokyo time every day, with an expected annualised rate of return ranging from 1.56% to 3.50%, payable to the depositors with the principal within 2 business days from maturity  Expected annualised rate of return will be:  $1.56\%$ (fixed rate of return) + $1.94\%$ x the number of days on which USD/JPY rate as shown on BFIX: Bloomberg falls within the range of the USD/JPY rate at 15:00 Tokyo time on first day of the Term $\pm 6.7 \div$ the total number of days of the Term
Type:	principal-guaranteed floating interest rate
Risk level assessment by the Bank:	Low
Termination and Redemption:	Depositors have no right of early termination or early redemption. The Bank may terminate on force majeure grounds

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

Taking into account the Structured Deposits being principal-guaranteed and the Bank being an award-winning bank in the PRC and listed on the Stock Exchange, the risk profiles of the Structured Deposits are considered as limited. The higher returns therefrom than other general bank deposits in the PRC can benefit the Shareholders with greater value of their Shares. The deployment of funds onto Structured Deposits on a low-risk basis for steady, healthy returns evinces the Company's commitment to a reasonable and efficient management of its funds, and the relatively short terms of the Structured Deposits allow the Company the flexibility to meet its needs when other business opportunities arise.

The Board considers that the terms and the transactions contemplated under the Structured Deposits fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## **THE PARTIES**

The Company is an investment holding company and its subsidiaries are primarily engaged in the business of providing comprehensive marketing, promotion and channel management services dedicated to imported pharmaceutical products and medical devices in China.

Chongqing Pioneer is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company and is principally engaged in the sale of in-licensed medicines.

The Bank is a joint stock company established in the PRC with limited liability and with principal businesses including corporate banking, retail banking and financial market business.

## **LISTING RULES IMPLICATIONS**

For each of the Structured Deposits and for the aggregate of Structured Deposits No.1 and No.2, all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) are below 5%.

For the aggregate of the Structured Deposits, one or more of the applicable percentage ratios exceeds 5% but all of the ratios are below 25%. As such, the transaction thereunder constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

Unless the context otherwise requires, the following expressions shall have the following meanings:

“Bank” CHINA BOHAI BANK CO., LTD., a joint stock company established in the PRC with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 9668)

“Board”	the board of Directors of the Company
“Chongqing Pioneer”	Chongqing Pioneer Pharma Co. Ltd* (重慶先鋒醫藥有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Company”	China Pioneer Pharma Holdings Limited (中国先锋医药控股有限公司), an exempted company incorporated with limited liability under the laws of the Cayman Islands, with its shares listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the shares of the Company
“Share(s)”	ordinary share(s) of nominal value US\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Deposit No. 1”	the structured deposit entered into between Chongqing Pioneer and the Bank on 30 December 2020
“Structured Deposit No. 2”	the structured deposit entered into between Chongqing Pioneer and the Bank on 13 January 2021

“Structured Deposit No. 3”            the structured deposit entered into between Chongqing Pioneer and the Bank on the date of this announcement

“Structured Deposits”                Structured Deposits Nos. 1, 2 and 3

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

Hong Kong, 9 February 2021

*As at the date of this announcement, the Directors are Mr. LI Xinzhou, Mr. LUO Chunyi and Mr. XIAO Guoguang as executive Directors, Mr. WU Mijia and Ms. HU Mingfei as non-executive Directors and Mr. ZHANG Hong, Mr. WONG Chi Hung, Stanley and Mr. WANG Yongli as independent non-executive Directors.*

\* *For identification purpose only*