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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)

DISCLOSEABLE TRANSACTION

STRUCTURED DEPOSIT

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On the date of this announcement, Chongqing Pioneer, a wholly-owned subsidiary of the Company, entered into Structured Deposit with the Bank.

LISTING RULES IMPLICATIONS

For both (1) the Structured Deposit on standalone basis; and (2) the Structured Deposits on aggregate basis, one or more of the applicable percentage ratios exceeds 5% but all of the ratios are below 25%, the transactions with the Bank constitute a discloseable transaction of the Company and are subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

On the date of this announcement, Chongqing Pioneer, a wholly-owned subsidiary of the Company, entered into Structured Deposit with the Bank. The details are set out below.

STRUCTURED DEPOSIT

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:	the date of this announcement
Amount of deposit:	RMB54 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:	186 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 the 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 TRANSACTION

Having taken into account the Structured Deposit being principal-guaranteed and the Bank being an award-winning bank in the PRC and listed on the Stock Exchange, the risk profile of the Structured Deposit is 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 the Structured Deposit 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 medium to short term of the Structured Deposit allows the Company the flexibility to meet its needs if other business opportunities arises.

The Board considers that the terms and the transactions contemplated under the Structured Deposit are 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.

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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 (中國先鋒醫藥控股有限公司), 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
“Share(s)”	ordinary share(s) of nominal value US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Deposit”	the structured deposit entered into between Chongqing Pioneer and the Bank on the date of this announcement
“Structured Deposits”	collectively, the structured deposits entered into between Chongqing Pioneer and the Bank as disclosed in the announcement of the Company on 9 February 2021 (excluding the structured deposit entered into on 13 January 2021, which has expired and been withdrawn as of the date of this announcement) and the Structured Deposit

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

Hong Kong, 5 March 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