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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 TRANSACTIONS WEALTH MANAGEMENT PRODUCT AND STRUCTURED DEPOSIT**

#### **WEALTH MANAGEMENT PRODUCT**

On 22 July 2020 and 5 November 2020, Chongqing Pioneer, a wholly-owned subsidiary of the Company, entered into agreements with the Bank for subscriptions to its Wealth Management Products with an amount of RMB10 million and RMB40 million, respectively.

#### **STRUCTURED DEPOSIT**

On the date of this announcement, Chongqing Pioneer entered into the Structured Deposit with the Bank with an amount of RMB30 million.

#### **LISTING RULES IMPLICATIONS**

For each of the subscriptions to the Wealth Management Product on 22 July 2020 and 5 November 2020 and the Structured Deposit on stand-alone basis and for the aggregate of the subscriptions to the Wealth Management Product on 22 July 2020 and 5 November 2020, all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) are below 5%.

For the aggregate of the subscriptions to the Wealth Management Product on 22 July 2020 and 5 November 2020 and the Structured Deposit, 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.

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The funds for the Wealth Management Product and the Structured Deposit are funds not immediately in use from the internal resources of the Company, which were put into subscription and deposit having taken into account the operation and businesses of the Group, the requirements for funds in the immediate future and the commercial benefits of the Wealth Management Product and the Structured Deposit and in accordance with the Bank's product specifications thereof.

## **WEALTH MANAGEMENT PRODUCT**

Term:	no fixed term and redeemable on demand at the discretion of the subscriber
Type:	fixed income, open-ended, non principal-guaranteed, floating return
Risk level assessment by the Bank:	low
Expected return:	one-year fixed deposit interest rate as announced by the People's Bank of China
Investment scope of the product:	assets in compliance with regulatory requirements including without limitation cash, bank deposits of term within one year, bond repurchase, central bank bills, interbank deposit certificate, bonds with remaining period within 397 days, asset-backed securities, non-financial corporate debt financing instruments and other money market instruments with good liquidity recognized by the banking regulatory agency

## **STRUCTURED DEPOSIT**

Term:	10 to 31 March 2021
Deposit link and expected annualised rate of return:	The deposit is linked to the EUR/USD rate as shown on BFIX: Bloomberg FX Fixings at 11:00 Tokyo time every day, with an expected annualised rate of return ranging from 0.8% to 2.6%, payable to the depositors with the principal on maturity
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 prior to maturity.

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

Taking into account the flexible redemption term of the Wealth Management Product, the short term of time of the Structured Deposit and the Bank's being a reputable bank with track record and listed on the Stock Exchange and the Shanghai Stock Exchange, the risk profiles of abovementioned transactions with the Bank are considered as limited. The deployment of funds onto subscription to regulated products issued by the Bank and depositing with the Bank for steady, healthy returns evinces the Company's commitment to a reasonable and efficient management of its funds and pursuit of greater value of the Shares for the Shareholders, and the flexible redemption terms of the Wealth Management Product and the short term of the Structured Deposit allow the Company to meet its needs if other business opportunities arise.

The Board considers that the terms and the transactions contemplated under the Wealth Management Product and 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 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 in banking including retail banking, corporate banking and treasury operation.

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.

## **LISTING RULES IMPLICATIONS**

For each of the subscriptions to the Wealth Management Product on 22 July 2020 and 5 November 2020 and the Structured Deposit on stand-alone basis and for the aggregate of the subscriptions to the Wealth Management Product on 22 July 2020 and 5 November 2020, all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) are below 5%.

For the aggregate of the subscriptions to the Wealth Management Product on 22 July 2020 and 5 November 2020 and the Structured Deposit, 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.

## **DEFINITIONS**

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

“Bank”	China Everbright Bank Company Limited, a company established in the PRC with limited liability, the shares of which are listed on the Stock Exchange (stock code: 6818) and the Shanghai Stock Exchange (stock code: 601818)
“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 (中国先鋒医药控股有限公司), 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
“Share(s)”	ordinary share(s) of nominal value US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“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
“Wealth Management Product”	China Everbright Bank Yangguangbi Jigouying* (EB1669) (中國光大銀行陽光碧機構盈 (EB1669))

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

Hong Kong, 10 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