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東北虎藥業股份有限公司  
**NORTHEAST TIGER PHARMACEUTICAL CO., LTD.\***  
*(A joint stock limited company incorporated in the People's Republic of China)*  
(Stock Code: 8197)

## **PROPOSED COMPLETION OF ACQUISITION OF DOMESTIC SHARES BY BAOYING CHUANGFU**

Reference is made to the composite offer document dated 23 March 2016 jointly issued by Beijing Baoying Chuangfu Investment Management Center (Limited Partnership)\* (北京寶盈創富投資管理中心 (有限合夥)) (“**Baoying Chuangfu**”), Solar Halo Limited and Northeast Tiger Pharmaceutical Co., Ltd.\* (the “**Company**”) to the shareholders of the Company (the “**Composite Document**”). Terms used in this announcement shall have the same meaning as defined in the Composite Document unless the context requires otherwise.

### **BACKGROUND**

As disclosed on pages 10, 11 and 12 of the Composite Document,

- (1) Ms. Guo and Baoying Chuangfu had entered into a letter of intent on 4 February 2016 (the “**First Letter of Intent**”), pursuant to which Ms. Guo and Baoying Chuangfu had agreed to enter into a share transfer agreement before 31 December 2016 pursuant to which Ms. Guo shall sell, and Baoying Chuangfu shall purchase, an aggregate of 137,611,830 Domestic Shares at the Domestic Share Offer Price for an aggregate consideration of RMB23,036,220.
- (2) Ms. Guo and Baoying Chuangfu had entered into a share pledge agreement on 4 February 2016 (the “**First Share Pledge Agreement**”), pursuant to which Ms. Guo pledged an aggregate of 137,611,830 Domestic Shares to Baoying Chuangfu until a share transfer agreement between Ms. Guo and Baoying Chuangfu is signed and Baoying Chuangfu paid a deposit in the sum of RMB23,036,220 (representing the consideration of such Domestic Shares to be sold by Ms. Guo to Baoying Chuangfu pursuant to the First Letter of Intent) to Ms. Guo on 5 February 2016,

i.e. within three PRC Business Days after the signing of the First Share Pledge Agreement which is used to settle the consideration in full for the sale and purchase of such 137,611,830 Domestic Shares held by Ms. Guo.

- (3) Ms. Guo had entered into an irrevocable undertaking in favour of, among others, Baoying Chuangfu on 5 February 2016, pursuant to which Ms. Guo irrevocably undertook, among others, that she would not accept the Domestic Share Offer in respect of the 137,611,830 Domestic Shares held by her.
- (4) Mr. Zhang and Baoying Chuangfu had entered into a letter of intent on 4 February 2016 (the “**Second Letter of Intent**”), pursuant to which Mr. Zhang and Baoying Chuangfu had agreed to enter into a share transfer agreement before 31 July 2016 pursuant to which Mr. Zhang shall sell, and Baoying Chuangfu shall purchase, an aggregate of 1,618,960 Domestic Shares at the Domestic Share Offer Price for an aggregate consideration of RMB271,014.
- (5) Mr. Zhang and Baoying Chuangfu had entered into a share pledge agreement on 4 February 2016 (the “**Second Share Pledge Agreement**”), pursuant to which Mr. Zhang pledged an aggregate of 1,618,960 Domestic Shares to Baoying Chuangfu until a share transfer agreement between Mr. Zhang and Baoying Chuangfu is signed and Baoying Chuangfu paid a deposit in the sum of RMB271,014 (representing the consideration of such Domestic Shares to be sold by Mr. Zhang to Baoying Chuangfu pursuant to the Second Letter of Intent) to Mr. Zhang on 5 February 2016, i.e. within three PRC Business Days after the signing of the Second Share Pledge Agreement which is used to settle the consideration in full for the sale and purchase of such 1,618,960 Domestic Shares held by Mr. Zhang.
- (6) Mr. Zhang had entered into an irrevocable undertaking in favour of, among others, Baoying Chuangfu on 5 February 2016, pursuant to which Mr. Zhang irrevocably undertook, among others, that he would not accept the Domestic Share Offer in respect of the 1,618,960 Domestic Shares held by him.

As informed by Baoying Chuangfu, Ms. Guo and Mr. Zhang, they were occupied by their other business commitments during the past several months. As such, each of Ms. Guo and Mr. Zhang have not entered into any definitive share transfer agreements in respect of their respective relevant Domestic Shares before 31 December 2016 and before 31 July 2016 as originally contemplated under the First Letter of Intent and Second Letter of Intent respectively.

## PROPOSED COMPLETION OF ACQUISITION OF DOMESTIC SHARES BY BAOYING CHUANGFU

The Board was informed by Baoying Chuangfu that Baoying Chuangfu proposes to enter into a share transfer agreement with each of Ms. Guo and Mr. Zhang to complete the aforesaid acquisitions of 137,611,830 and 1,618,960 Domestic Shares respectively in or around April 2017 (the “Acquisitions”).

Set out below is the shareholding structure of the Company immediately before and after the completion of the Acquisitions:

Name of Shareholders	Immediately before the completion of the Acquisitions		Immediately after the completion of the Acquisitions	
	<i>Number of Shares</i>	<i>Approximate percentage of the total issued Shares</i>	<i>Number of Shares</i>	<i>Approximate percentage of the total issued Shares</i>
<b>Domestic Shares:</b>				
Baoying Chuangfu	398,534,660	46.44	537,765,450	62.67
Ms. Guo	137,611,830	16.04	–	–
Mr. Zhang	1,618,960	0.19	–	–
Other holders of Domestic Shares	71,888,790	8.38	71,888,790	8.38
<b>H Shares:</b>				
Holders of H Shares	248,400,000	28.95	248,400,000	28.95
<b>Total</b>	<b>858,054,240</b>	<b>100</b>	<b>858,054,240</b>	<b>100</b>

### IMPLICATIONS OF THE ACQUISITIONS UNDER THE TAKEOVERS CODE

Immediately after the completion of the Acquisitions, the shareholding of Baoying Chuangfu in the Company will be increased from approximately 46.44% to 62.67%. In view of the aforesaid increase in the shareholding of Baoying Chuangfu in the Company, Baoying Chuangfu would be required to make a mandatory general offer for all the issued Shares pursuant to Rule 26.1 of the Takeovers Code unless a waiver is granted by the Executive.

The Company, on behalf of Baoying Chuangfu, had applied to the Executive for the waiver of the obligation of Baoying Chuangfu to make a mandatory general offer for all the issued Shares arising from the Acquisitions pursuant to Note 6 to Rule 26.1 of the Takeovers Code.

On 24 February 2017, the Executive had granted the waiver on the obligation of Baoying Chuangfu to make a mandatory general offer for all the issued Shares arising from the Acquisitions pursuant to Note 6 to Rule 26.1 of the Takeovers Code.

Further announcement will be made by the Company as and when appropriate upon the completion of the Acquisitions.

By order of the Board  
東北虎藥業股份有限公司  
**Northeast Tiger Pharmaceutical Co., Ltd.\***  
**Wang Shaoyan**  
*Chairman*

Jilin, the People's Republic of China, 10 March 2017

*As at the date of this announcement, the executive Directors are Wang Shaoyan, Cui Bingyan and Qin Haibo; the non-executive Directors are Guo Aiqun and Cao Yang and the independent non-executive Directors are Zhao Zhen Xing, Chen Youfang and Hui Lai Yam.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the website of the GEM at <http://www.hkgem.com> for at least 7 days from the day of its posting and the Company's website at <http://www.northeasttiger.com> from the date of this announcement.*

\* For identification purpose only