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Sinco Pharmaceuticals Holdings Limited

兴科蓉医药控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 6833)

ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE AND ISSUE OF BONDS AND DISCLOSURE PURSUANT TO RULE 13.17 OF THE LISTING RULES

Financial Adviser to the Company

CMS  招商證券國際

China Merchants Securities (HK) Co., Limited

ISSUE OF THE CONVERTIBLE BONDS AND THE BONDS

On 24 June 2017, the Company as issuer, the Investor as subscriber and Mr. Huang, as guarantor entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and the Investor has conditionally agreed to subscribe for the Convertible Bonds and the Bonds in the aggregate principal amount of HK\$40,000,000 and HK\$120,000,000, respectively.

The estimated net proceeds from the issue of the Convertible Bonds and the Bonds of approximately HK\$39,830,000 and HK\$119,491,500, respectively, are intended to be used for the business development of the Group.

No application will be made for the listing of the Convertible Bonds and the Bonds on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

The Convertible Bonds and the Bonds will have the benefit of the security constituted by the Security Documents on a first ranking basis for all amounts payable on the Convertible Bonds and the Bonds and all other moneys payable by the Obligors under the Transaction Documents.

As the Subscription Agreement may or may not complete, and the Convertible Bonds, the Bonds and/or the Conversion Shares may or may not be issued. Accordingly, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On 24 June 2017, the Company as issuer, the Investor as subscriber and Mr. Huang, as guarantor entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and the Investor has conditionally agreed to subscribe for the Convertible Bonds and the Bonds in the aggregate principal amount of HK\$40,000,000 and HK\$120,000,000, respectively.

Details of the Subscription Agreement, the terms and conditions of the Convertible Bonds and the Bonds are set out below.

THE SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are as follows:

Date

24 June 2017

Parties

- (1) the Company, as issuer;
- (2) the Investor, as subscriber; and
- (3) Mr. Huang, as guarantor.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Investor and its ultimate beneficial owner(s) are Independent Third Parties.

Principal Amount of the Convertible Bonds and the Bonds

Pursuant to the Subscription Agreement and subject to the satisfaction or waiver of the conditions precedent set out below, the Investor will subscribe for the Convertible Bonds and the Bonds in the aggregate principal amount of HK\$40,000,000 and HK\$120,000,000, respectively.

Conditions Precedent for the Bonds

Completion in respect of the Bonds shall be subject to and conditional upon the following conditions precedent being satisfied (or, if applicable, waived by the Investor):

- (i) on the Closing Date, the representations and warranties of the Company in the Subscription Agreement being true, accurate and correct in all respects at, and as if made on, such date;
- (ii) on the Closing Date, the Company having performed all of its obligations under the Subscription Agreement to be performed on or before such date;
- (iii) on the Closing Date, there having been delivered to the Investor a certificate in the specified form, dated as of such date, of a duly authorised officer of the Company to such effect;
- (iv) on the Closing Date, there having been delivered to the Investor a legal opinion of the legal advisers to the Investor in respect of Hong Kong law, addressed to the Investor, to the satisfaction of the Investor;
- (v) on the Closing Date, there having been delivered to the Investor legal opinions of the legal advisers to the Company in respect of Cayman Islands law and British Virgin Islands law respectively, each addressed to the Investor, to the satisfaction of the Investor;
- (vi) on or prior to the Closing Date, there shall have been delivered to the Investor copies of all consents and approvals required (if any) on the part of each Obligor in relation to the issue of the Convertible Bonds and the Bonds and the performance of its obligations under the Convertible Bonds and the Bonds and all the transactions contemplated under the Transaction Documents (including, without limitation, approval by the Obligor's board of directors, shareholders and any relevant governmental or regulatory authorities).

Conditions Precedent for the Convertible Bonds

Completion in respect of the Convertible Bonds shall be subject to and conditional upon the following conditions precedent being satisfied (or, if applicable, waived by the Investor):

- (i) on the Closing Date, the representations and warranties of the Company in the Subscription Agreement being true, accurate and correct in all respects at, and as if made on, such date;
- (ii) on the Closing Date, the Company having performed all of its obligations under the Subscription Agreement to be performed on or before such date;
- (iii) on the Closing Date, there having been delivered to the Investor a certificate in the specified form, dated as of such date, of a duly authorised officer of the Company to such effect;

- (iv) on the Closing Date, the listing committee of the Stock Exchange having granted its approval for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange on such conditions being reasonably acceptable to the Investor; and
- (v) on or prior to the Closing Date, there shall have been delivered to the Investor copies of all consents and approvals required (if any) on the part of each Obligor in relation to the issue of the Convertible Bonds and the Bonds and the performance of its obligations under the Convertible Bonds and the Bonds and all the transactions contemplated under the Transaction Documents (including, without limitation, approval by the Obligor's board of directors, shareholders and any relevant governmental or regulatory authorities).

If any of the conditions precedent of the Subscription Agreement have not been satisfied or waived on or before the Closing Date or such later date as the Company and the Investor may agree, the Subscription Agreement shall terminate and be of no further effect and no party shall be under any liability to any other in respect of the Subscription Agreement (save for provisions relating to survival of representations and obligations, confidentiality, costs, and governing law and dispute resolution).

Completion

Completion will take place on the Closing Date subject to the satisfaction (or waiver) of the conditions precedent set out above.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principal terms and conditions of the Convertible Bonds are summarised as follows:

Issuer:	The Company
Principal Amount:	HK\$40,000,000
Form and Denomination:	The Convertible Bonds will be issued in registered form in the denomination of HK\$100,000 each and integral multiples of HK\$10,000 in excess thereof.
Issue Price:	100% of the principal amount of the Convertible Bonds.
Interest:	8.00% per annum payable quarterly
Maturity Date:	The date falling 24 months from the issue date of the Convertible Bonds, or if the CB Holder and the Company mutually agree in writing to extend the maturity of the Convertible Bonds to the date falling 36 months from the issue day of the Convertible Bonds (the " CB Extended Maturity Date ")

Conversion Price:

HK\$0.506 per Conversion Share which, for the avoidance of doubt, shall be subject to adjustment provided in the Convertible Bonds. The Conversion Price represents:

- (i) a premium of approximately 6.53% to the closing price per Share of HK\$0.475 as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 4.55% to the average closing price per Share of approximately HK\$0.484 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (iii) a premium of approximately 3.48% to the average closing price per Share of approximately HK\$0.489 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The Conversion Price was determined based on arm's length negotiations between the parties with reference to the prevailing market prices of the Shares as quoted on the Stock Exchange.

**Adjustment of the
Conversion Price**

The Conversion Price shall from time to time be subject to adjustment upon the occurrence of any of the following events:

- (i) consolidation, subdivision or reclassification of the Shares;
- (ii) capitalisation of profits or reserves by the Company;
- (iii) capital distributions by the Company;
- (iv) rights issues of Shares or grants of options over Shares by the Company at less than 95% of the average of the daily closing prices of the Shares for the twenty (20) consecutive trading days ending on and including the trading day immediately preceding a particular date (the "Average Market Price");
- (v) rights issues of other securities by the Company;
- (vi) issues of any Shares at less than 90% of the Average Market Price;
- (vii) other issues of Shares at less than 90% of the Average Market Price;

- (viii) modification of rights of conversion, exchange or subscription attaching to the Shares as mentioned in (vii) above so that the consideration per Share is reduced and is than 90% of the Average Market Price;
- (ix) other offers by the Company or any of its subsidiaries whereby the Shareholders are generally entitled to participate in; and
- (x) other events or circumstances not mentioned above which the Company shall consult an independent investment bank to determine the adjustment (if any) should be made to the Conversion Price.

Conversion Right:

Subject to and upon compliance with the terms and conditions of the Convertible Bonds, the right of the CB Holder to convert any Convertible Bonds into Conversion Shares may be exercised at any time on or after the date falling three (3) months from the Closing Date to the close of business on the date falling ten (10) days prior to the Maturity Date or, if extended, the CB Extended Maturity Date.

Conversion Shares:

The Conversion Shares shall be issued pursuant to the General Mandate. Based on the Conversion Price of HK\$0.506 per Conversion Shares, a maximum number of 79,051,383 Conversion Shares will be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds in full, which represent:

- (i) approximately 4.89% of the total issued Shares of the Company as at the date of this announcement; and
- (ii) approximately 4.67% of the total issued Shares of the Company as to be enlarged by the allotment and issue of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Bonds in full.

Redemption at Maturity:

Unless previously redeemed, converted, purchased or cancelled, the Company will redeem all of the Convertible Bonds on the Maturity Date at 104% of the outstanding principal amount together with accrued but unpaid interest to such date or, if applicable, on the CB Extended Maturity Date at 106% of the outstanding principal amount together with accrued but unpaid interest to such date.

Redemption on Event(s) of Default:	Following the occurrence of an event of default, the Majority Bondholders in respect of the Convertible Bonds at their discretion may give notice to the Company that the Convertible Bonds are, and they shall immediately become due and repayable at 120% of the principal amount together with accrued but unpaid interest (if any) to the date of payment.
Early Redemption:	The CB Holder shall have the right to require the Company to redeem all of the CB Holder's Convertible Bonds by written notice at 120% of the outstanding principal amount together with accrued but unpaid interest (if any) to the date of redemption (i) following the occurrence of a relevant event (as specified in the terms and conditions of the Convertible Bonds) or (ii) if at any time it becomes unlawful in any applicable jurisdiction for a CB Holder to perform any of its obligations as contemplated by any Transaction Document or to hold or maintain its holding of any Convertible Bonds or it becomes unlawful in any applicable jurisdiction for any affiliate of a CB Holder for that CB Holder to do so.
Cancellation:	All Convertible Bonds which are redeemed, converted or purchased by the Company or any of its subsidiaries will forthwith be cancelled and such Convertible Bonds may not be reissued or resold.
Ranking of the Convertible Bonds:	<p>The Convertible Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves.</p> <p>The payment obligations of the Company under the Convertible Bonds shall at all times rank at least equally with all of the Company's other present and future unsecured and unsubordinated obligations.</p>
Ranking of the Conversion Shares:	The Conversion Shares will in all respects rank pari passu with the fully paid Shares in issue on the date as registered as such in the Company's register of members.
Transferability:	Subject to certain conditions specified in the terms and conditions of the Convertible Bonds, the Convertible Bonds may be transferred without the consent of the Company to any affiliate of an existing CB Holder and/or to any third party if an event of default has occurred and is continuing.
Listing:	No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock exchange.

PRINCIPAL TERMS OF THE BONDS

Issuer:	The Company
Principal Amount:	HK\$120,000,000
Form and Denomination:	The Bonds will be issued in registered form in the denomination of HK\$100,000 each and integral multiples of HK\$10,000 in excess thereof.
Issue Price:	100% of the principal amount of the Bonds.
Interest:	10.00% per annum payable quarterly
Maturity Date:	The date falling 24 months from the issue date of the Bonds, or if the Bond Holder and the Company mutually agree in writing to extend the maturity of the Bonds to the date falling 36 months from the issue date of the Bonds (the “ Bond Extended Maturity Date ”)
Redemption at Maturity:	Unless previously redeemed, converted, purchased or cancelled, the Company will redeem all of the Bonds on the Maturity Date at 100% of the outstanding principal amount together with accrued but unpaid interest to such date or, if applicable, on the Bond Extended Maturity Date.
Redemption on Event(s) of Default:	Following the occurrence of an event of default, the Majority Bondholders in respect of the Bonds at their discretion may give notice to the Company that the Bonds are, and they shall immediately become due and repayable at 120% of the principal amount together with accrued but unpaid interest (if any) to the date of payment.
Early Redemption:	The Bond Holder shall have the right to require the Company to redeem all of the Bond Holder’s Bonds by written notice at 120% of the outstanding principal amount together with accrued but unpaid interest (if any) to the date of redemption (i) following the occurrence of a relevant event (as specified in the terms and conditions of the Bonds) or (ii) if at any time it becomes unlawful in any applicable jurisdiction for a Bond Holder to perform any of its obligations as contemplated by any Transaction Document or to hold or maintain its holding of any Bonds or it becomes unlawful in any applicable jurisdiction for any affiliate of a Bond Holder for that Bond Holder to do so.
Cancellation:	All Bonds which are redeemed or purchased by the Company or any of its subsidiaries will forthwith be cancelled and such Bonds may not be reissued or resold.

Ranking of the Bonds: The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves.

The payment obligations of the Company under the Bonds shall at all times rank at least equally with all of the Company's other present and future unsecured and unsubordinated obligations.

Transferability: Subject to certain conditions specified in the terms and conditions of the Bonds, the Bonds may be transferred without the consent of the Company to any affiliate of an existing Bond Holder and/or to any third party if an event of default has occurred and is continuing.

Listing: No application will be made for the listing of the Bonds on the Stock Exchange or any other stock exchange.

GENERAL MANDATE

By a resolution of the Shareholders passed at the annual general meeting of the Company held on 26 May 2017, the General Mandate was granted to the Directors to allot, issue and deal with the Shares, not exceeding the aggregate of 20% of the then total issued Shares as at the date of such annual general meeting, which amounted to 323,044,000 Shares. Based on the Conversion Price of HK\$0.506 per Conversion Shares, up to 79,051,383 new Shares will be allotted and issued under the General Mandate upon full conversion of the Convertible Bonds. As at the date of this announcement, as no Shares have been issued under the General Mandate, the Company is entitled to issue up to 323,044,000 Shares under the General Mandate without further approval from the Shareholders.

CHARGE OF SHARES AND GUARANTEE PROVIDED BY THE CONTROLLING SHAREHOLDERS

The Convertible Bonds and the Bonds will have the benefit of the security constituted by the Security Documents on a first ranking basis for all amounts payable on the Convertible Bonds and the Bonds and all other moneys payable by the Obligors under the Transaction Documents.

The Security Documents shall become immediately enforceable if an event of default occurs and is continuing, following which the CB Holder (or its appointee) and the Bond Holder (or its appointee) may, but shall not be bound, to take such proceedings or other action as it shall, in its discretion, think fit to enforce.

Pursuant to the Sinco Share Charge, Risun shall charge in favour of the Investor by way of first legal mortgage, among others, (a) all its rights, title and interest present and future in and to the 1,049,990,000 Shares and its custodian account; and (b) all Shares in which Risun may in the future acquire any interest.

Pursuant to the Risun Share Charge, Fullwealth Holdings Limited shall charge in favour of the Investor by way of first legal mortgage, among others, (a) all its rights, title and interest present and future in and to the 1 ordinary share of Risun; and (b) all Shares in which Fullwealth Holdings Limited may in the future acquire any interest.

The Company's obligations under the Convertible Bonds and the Bonds are guaranteed by Mr. Huang under the Personal Guarantee, pursuant to which the due payment of all sums expressed to be payable by the Obligors and the due performance by each Obligor of its obligations under the Transaction Documents have been unconditionally and irrevocably guaranteed by Mr. Huang. The obligations under the Personal Guarantee constitute direct, general, unconditional and secured obligations of Mr. Huang.

APPLICATION FOR LISTING

No application will be made for the listing of the Convertible Bonds and the Bonds on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

REASONS FOR THE ISSUE OF THE CONVERTIBLE BONDS AND THE BONDS AND USE OF PROCEEDS

The Directors consider the issuing the Convertible Bonds and the Bonds to raise funds will provide an opportunity for the Company to enhance its working capital and financial position and support the business development of the Group. The Group will be able to expand the scale of the overseas purchase of pharmaceutical products while strengthening the Company's marketing channels through further downward expansion of sales network, stronger control on marketing channels and higher product coverage on the markets.

The Directors consider that the issue of the Convertible Bonds and the Bonds is an appropriate means of raising additional capital for the Company since it will not have an immediate dilution effect on the shareholding of the existing Shareholders.

The Directors consider that the terms of the Subscription Agreement, which were arrived at after arm's length negotiations between the Company and the Investor, are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The estimated net proceeds from the issue of the Convertible Bonds and the Bonds of approximately HK\$39,830,000 and HK\$119,491,500, respectively, are intended to be used for the business development of the Group.

CHANGES IN SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement and (ii) for illustration purpose only, immediately after the allotment and issue of the Conversion Shares in full upon exercise of the conversion rights under the Convertible Bonds (on the assumptions that the Conversion Price being HK\$0.506 and there is no further allotment of Shares from the date of this announcement other than the Conversion Shares) is as follows:

	As at the date of this announcement		Immediately after the allotment and issue of the Conversion Shares in full upon exercise of the conversion rights under the Convertible Bonds (Note 3)	
	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>
Mr. Huang (<i>Note 1</i>)	1,050,000,000	65.01	1,050,000,000	61.97
Mr. Liu Sichuan (<i>Note 2</i>)	90,000,000	5.57	90,000,000	5.31
The Investor	–	–	79,051,383	4.67
Other public Shareholders	475,220,000	29.42	475,220,000	28.05
Total	1,615,220,000	100.00	1,694,271,383	100.00

Notes:

1. Mr. Huang is the settlor of a trust in which UBS Trustees (B.V.I.) Limited is the trustee and holds the entire interest in Fullwealth Holdings Limited, which in turn holds the entire interest in Risun. Risun beneficially holds 1,050,000,000 Shares.
2. Mr. Liu Sichuan holds the entire interest in Wisen Group Holding Limited, which in turn beneficially holds 90,000,000 Shares.
3. The figures in this column are for illustrating the full dilution effect on the shareholding of the existing Shareholders and are arrived on based on the assumption that all the Convertible Bonds are converted at the initial Conversion Price.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company did not conduct any fund raising activities by way of issue of equity securities in the past 12 months immediately prior to the date of this announcement.

INFORMATION OF THE GROUP AND THE INVESTOR

Information of the Group

The Group are principally engaged in the provision of marketing, promotion and channel management, or MPCM services in the PRC pharmaceutical industry with particular focus on plasma-based pharmaceuticals. The Group's existing product portfolio encompasses many quality products by small and medium-sized overseas pharmaceutical manufacturers, covering multiple therapeutic areas such as anti-infectives, blood products, and other pharmaceutical products.

Information of the Investor

According to the information provided by the Investor, the Investor is a company incorporated in the British Virgin Islands and an investment vehicle. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Subscriber and its ultimate beneficial owners are Independent Third Parties.

GENERAL

As the Subscription Agreement may or may not complete, and the Convertible Bonds, the Bonds and/or the Conversion Shares may or may not be issued. Accordingly, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	means the board of Directors
“Bond Holder”	means the registered holder of the Bonds
“Bond Instrument”	means the bond instrument constituting the Bonds to be executed as a deed by the Company
“Bonds”	means the 10.00% secured bonds due in 2019 in the aggregate principal amount of HK\$120,000,000 to be issued by the Company to the Investor pursuant to the Subscription Agreement
“BVI”	means the British Virgin Islands
“CB Holder”	means the registered holder of the Convertible Bonds

“CB Instrument”	means the bond instrument constituting the Convertible Bonds to be executed as a deed by the Company
“Closing Date”	means the date that the Company agrees to issue the Convertible Bonds and the Bonds to the Investor (and/or any of its affiliates nominated by it in writing), or such later date as the Company and the Investor may agree
“Company”	means Sinco Pharmaceuticals Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange
“Completion”	means the completion of the issuance and subscription of the Convertible Bonds and the Bonds (as the case may be) contemplated under the Subscription Agreement
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules
“Conversion Price”	means the conversion price of the Convertible Bonds, initially being HK\$0.506 per Conversion Share (subject to adjustments)
“Conversion Shares”	means the Shares falling to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	means the 8.00% secured convertible bonds due in 2019 in the aggregate principal amount of HK\$40,000,000 to be issued by the Company to the Investor pursuant to the Subscription Agreement
“Director(s)”	means the director(s) of the Company
“General Mandate”	means the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 26 May 2017 to allot, issue and deal with up to 323,044,000 Shares, representing 20% of the total issued Shares as at the date of such annual general meeting
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	means independent third party(ies) who is(are) not connected person(s) of the Company and is(are) independent of and not connected with the connected persons of the Company
“Last Trading Day”	means 23 June 2017, being the last day on which the Shares were traded on the Stock Exchange pending the release of this announcement
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Majority Bondholders”	means at any time, any one or more holders holding the Bonds or the Convertible Bonds (as the case may be) or being proxies or representatives in respect of the Bonds or the Convertible Bonds (as the case may be) and representing, in the aggregate, more than 66.67% of the aggregate principal amount of all of the Bonds or the Convertible Bonds (as the case may be) then outstanding
“Maturity Date”	means the date falling 24 months from the issue date of the Convertible Bonds or the Bonds (as the case may be)
“MPCM”	means marketing, promotion and channel management for the sale and promotion of pharmaceutical products for pharmaceutical manufacturers
“Mr. Huang”	means Mr. Huang Xiangbin, the controlling shareholder, the chairman, executive Director and chief executive officer of the Company
“Obligor”	means each of the Company and Mr. Huang, or altogether the “Obligors”
“Personal Guarantee”	means the personal guarantee to be given by Mr. Huang in favour of the CB Holder and the Bond Holder
“PRC”	means the People’s Republic of China
“Risun”	means Risun Investments Limited, a limited company incorporated under the laws of the BVI on 16 January 2015, which beneficially holds 1,050,000,000 Shares (representing approximately 65.01% of the total issued share capital of the Company) as at the date of this announcement and which is the controlling shareholder of the Company
“Risun Share Charge”	means the share charge executed by Fullwealth Holdings Limited in favour of the Investor relating to 1 ordinary share (representing 100% of the total issued share capital of Risun) held by Fullwealth Holdings Limited

“Share”	means ordinary share of HK\$0.0001 each in the share capital of the Company
“Security Documents”	means the Sinco Share Charge, the Risun Share Charge, the Personal Guarantee and any other documents evidencing or creating or expressed to evidence or create security interest over any asset to secure any obligation of any Obligor to the Investor under any of the Transaction Documents
“Shareholder(s)”	means holder(s) of the Shares
“Sinco Share Charge”	means the share charge executed by Risun in favour of the Investor relating to 1,049,990,000 Shares (representing approximately 65.01% of the total issued share capital of the Company) held by Risun
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	means the subscription agreement dated 24 June 2017, entered into among the Company, the Investor and Mr. Huang in relation to the subscription of the Convertible Bonds and the Bonds
“Transaction Documents”	means the Subscription Agreement, the terms and conditions of the Convertible Bonds and the Bonds, the CB Instrument and the Bond Instrument, any definitive note certificate with respect to the Convertible Bonds and the Bonds, any Security Document, and any other instrument, document, agreement or certificate ancillary to the transactions contemplated under the Subscription Agreement and any other related document signed by the Company and the Majority Bondholders or is designated as such by the Company and the Majority Bondholders
“%”	means per cent

By Order of the Board
Sinco Pharmaceuticals Holdings Limited
Huang Xiangbin
Chairman and Executive Director

Sichuan, the PRC, 25 June 2017

As at the date of this announcement, the executive directors of the Company are Mr. Huang Xiangbin and Ms. Zhang Zhijie; and the independent non-executive directors of the Company are Mr. Chow Siu Lui, Mr. Wang Qing and Mr. Liu Wenfang.