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CSPC

CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 1093)

**COMPLETION OF PLACING OF
NEW SHARES UNDER GENERAL MANDATE**

HSBC

Placing Agent

Reference is made to the announcement of CSPC Pharmaceutical Group Limited (the “**Company**”) dated 12 October 2017 (the “**Announcement**”) in relation to the Placing. Unless otherwise stated, terms used herein shall have the same meanings as defined in the Announcement.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all conditions of the Placing Agreement have been fulfilled and Completion took place on 20 October 2017 in accordance with the terms and conditions of the Placing Agreement. A total of 189,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK\$12.44 per Placing Share pursuant to the terms and conditions of the Placing Agreement. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Placees are third parties independent of the Company and not connected persons of the Company, and none of the Placees has become a substantial shareholder (as defined under the Listing Rules) of the Company immediately upon Completion.

The gross proceeds from the Placing amounted to approximately HK\$2,351 million. The net proceeds from the Placing, after deducting the related placing commission, professional fees and other related expenses incurred in connection with the Placing which were borne by the Company, amounted to approximately HK\$2,345 million. The Company intends to apply the net proceeds from the Placing for general working capital purposes and capital expenditure and to fund future investment opportunities as may be identified from time to time.

EFFECTS ON SHAREHOLDING STRUCTURE

The 189,000,000 Placing Shares represent approximately (i) 3.12% of the total number of issued shares of the Company immediately before Completion; and (ii) 3.03% of the total number of issued shares of the Company as enlarged by the allotment and issue of the Placing Shares.

	Immediately before Completion		Immediately after Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Cai Dongchen ^(note 1)	1,852,363,534	30.60%	1,852,363,534	29.67%
Chak Kin Man	4,000	0.0001%	4,000	0.0001%
UBS Group AG ^(note 2)	353,774,103	5.84%	353,774,103	5.67%
Placees	—	—	189,000,000	3.03%
Other public Shareholders	3,847,876,766	63.56%	3,847,876,766	61.63%
Total	6,054,018,403	100%	6,243,018,403	100%

Note 1: Out of 1,852,363,534 shares, 86,538,000 shares are held by Mr. Cai Dongchen in the capacity as beneficial owner. Mr. Cai Dongchen is also deemed to be interested in 1,765,825,534 shares, comprising (i) 493,880,000 shares directly held by True Ally Holdings Limited (“**True Ally**”), a company wholly-owned by Mr. Cai Dongchen; (ii) 213,929,500 shares directly held by Key Honesty Limited, a company indirectly wholly-owned by Mr. Cai Dongchen; and (iii) 1,058,016,034 shares directly held by Massive Giant Group Limited by virtue of his interests in a chain of corporations holding Massive Giant Group Limited, namely Massive Top Limited, of which March Rise Limited, Beijing Zhongyihe Hezhong Investment Management Centre (Limited Partnership) (北京中宜和合眾投資管理中心(有限合夥)) (“**Zhongyihe**”) and True Ally own 75%, 15% and 10%, respectively. March Rise Limited in turn is owned as to 40% by True Ally and 60% by Zhongyihe, the general partner of which is Mr. Cai Dongchen.

Note 2: Out of 353,774,103 shares, 265,967,323 shares are held by UBS Group AG in the capacity as person having a security interest in shares and 87,806,780 shares are held in the capacity as interest in controlled corporation.

By Order of the Board
CSPC Pharmaceutical Group Limited
Cai Dongchen
Chairman

Hong Kong, 20 October 2017

As at the date of this announcement, the Board comprises Mr. CAI Dongchen, Mr. PAN Weidong, Mr. WANG Huaiyu, Mr. LU Jianmin, Mr. WANG Jinxu, Mr. WANG Zhenguo, Mr. LU Hua and Mr. CHAK Kin Man as executive directors; Mr. LEE Ka Sze, Carmelo as non-executive director; and Mr. CHAN Siu Keung, Leonard, Mr. WANG Bo, Mr. LO Yuk Lam, Mr. YU Jinming and Mr. CHEN Chuan as independent non-executive directors.