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CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 1093)

VOLUNTARY ANNOUNCEMENT

THE GROUP'S CHEMICAL DRUG "BUTYLPHTHALIDE SOFT CAPSULES" WAS GRANTED CLINICAL TRIAL APPROVAL IN RELATION TO A NEW INDICATION FOR VASCULAR DEMENTIA

The board of directors (the "Board") of CSPC Pharmaceutical Group Limited (the "Company", together with its subsidiaries (the "Group")) is pleased to announce that the pre-clinical trial data of the Group's chemical drug "butylphthalide soft capsules" (the "Product") in relation to the new indication for the treatment of vascular dementia caused by ischemic stroke ("Vascular Dementia") has passed the technical assessment of the Centre for Drug Evaluation of China Food and Drug Administration (the "CFDA") of the People's Republic of China ("China"), and was recently granted clinical trial approval from the CFDA.

The current indication of butylphthalide soft capsules is for the treatment of mild to moderate ischemic stroke. Since the launch of the Product to the market in 2005, it has become one of the major drugs used for the treatment in this therapeutic area. The approval for the commencement of clinical trial will provide an impetus to the development of new indication for the Product.

Vascular Dementia is a major type of dementia, which refers to cognitive disorder caused by a variety of cerebrovascular diseases. The chances of developing Vascular Dementia increase with age. With China's rapidly aging population and expanding elderly population, it is expected that the number of patients suffering from Vascular Dementia will increase progressively.

Preclinical pharmacological tests indicated that long-term administration of butylphthalide on rats with vascular dementia caused by cerebral ischemia-reperfusion injury and rats with vascular dementia induced by chronic cerebral ischemia injury could result in improved learning and memory abilities. There were clinical journals which reported that butylphthalide could improve cognitive

and behavioral abilities of the patients who suffer from ischemic stroke and reduce the incidence of Vascular Dementia. Butylphthalide has also demonstrated a good preclinical and clinical safety profile. A total of 17 clinical units, led by Xuanwu Hospital affiliated to Capital Medical University, conducted a multicenter, parallel-group, randomized, double-blind and placebo-controlled clinical study from 2008 to 2011 which initially confirmed the positive effect of butylphthalide on improving cognitive disorder resulted from ischemic cerebrovascular disease. The results of the above studies have provided the foundation for the clinical study of butylphthalide on the treatment of Vascular Dementia.

Currently, there is no drug with a confirmed efficacy for the treatment of Vascular Dementia. The Chinese government has included Vascular Dementia (a neurodegenerative disease) as one of the ten major diseases in the "Significant New Drugs Development Project". If the effectiveness of butylphthalide can be clinically proven in the treatment of Vascular Dementia, the void of having no drugs for treatment of Vascular Dementia can be filled and significant social benefits can be achieved. The Group will endeavor to launch the Product in order to benefit patients with Vascular Dementia.

By Order of the Board

CSPC Pharmaceutical Group Limited

Cai Dongchen

Chairman

Hong Kong, 20 April 2016

As at the date of this announcement, the Board comprises Mr. CAI Dongchen, Mr. CHAK Kin Man, Mr. PAN Weidong, Mr. WANG Shunlong, Mr. WANG Huaiyu, Mr. LU Jianmin, Mr. WANG Zhenguo and Mr. WANG Jinxu and Mr. LU Hua 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 and Mr. YU Jinming as independent non-executive directors.