CSPC PHARMACEUTICAL GROUP LIMITED
石藥集團有限公司

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock code: 1093)

VOLUNTARY ANNOUNCEMENT

THE GROUP'S MALIGNANT TUMOUR TREATMENT DRUG "MITOXANTRONE HYDROCHLORIDE LIPOSOME" WAS GRANTED ORPHAN-DRUG DESIGNATION BY THE U.S. FDA

The Board of directors (the "**Board**") of CSPC Pharmaceutical Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") announces that "Mitoxantrone Hydrochloride Liposome" (the "**Product**") developed by the Group was granted orphan-drug designation by the U.S. Food and Drug Administration (the "**U.S. FDA**") for the treatment of peripheral T-cell lymphoma (PTCL).

Mitoxantrone is an anti-tumour drug with comprehensive clinical usage. Due to its severe side effects, including cardiotoxicity and bone marrow suppression, its clinical application has been significantly restricted. With mitoxantrone being manufactured as liposome formulation, the metabolism, composition distribution, efficacy and toxicity of the drug have a substantial change that its efficacy and safety for medical treatment are significantly enhanced as compared with the ordinary formulation.

Mitoxantrone Hydrochloride Liposome is developed by the Group. Currently, such variety has not been filed in the world. This project owns independent intellectual property rights, applications of 7 domestic patents and 2 international patents have been made. Authorisations have been granted by the European Union and 10 other countries, while the applications in 7 other countries, such as the United States and Japan, are under review. The Product is currently under phase II clinical trial in China.

The orphan-drug designation implies that more guidance will be given by the U.S. FDA and there will be more opportunity to communicate with the U.S. FDA. Under certain circumstances, part of the clinical trials can be waived to speed up the product launch. In addition, orphan drugs in the United States are entitled to 7 years of exclusive marketing rights and tax credits of up to 50% of the research and development cost. The Group is now pushing forward with the clinical research of the Product in the United States to strive its simultaneous application for product approval in China and the United States by 2020.

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

Hong Kong, 27 September 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 Zhenguo, Mr. WANG Jinxu, 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.