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CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock code: 1093)

APPOINTMENT OF EXECUTIVE DIRECTOR AND NON-COMPLIANCE WITH RULE 3.10A OF THE LISTING RULES

The Board of Directors (the “**Board**”) of CSPC Pharmaceutical Group Limited (the “**Company**”) hereby announces that Dr. WANG Qingxi (“**Dr. WANG**”) was appointed as an executive director of the Company with effect from 20 August 2018.

Dr. WANG, aged 52, joined the Group in 2013 and is currently a vice president of the R&D division and head of the Group’s R&D centres and business operation in the United State (“**U.S.**”). Prior to joining the Group, Dr. WANG worked at Merck Co., Inc. in the U.S. for 20 years where he held senior positions including director of pharmaceutical R&D and director of business development and operation. Dr. WANG holds a bachelor’s degree in science (chemistry) and a master’s degree in science (chemistry) from Nankai University in China, a master’s degree in science (polymer science) and a doctorate in chemistry from University of Connecticut in the U.S. and a MBA degree from Temple University in the U.S..

Dr. WANG has entered into a service contract with the Company for a period of three years commencing from 20 August 2018 and his appointment is subject to retirement and re-election at the annual general meeting in accordance with the articles of association of the Company. Dr. WANG is entitled to receive a monthly salary of HK\$150,000 and an annual director’s fee of HK\$60,000. In addition, he is also eligible to receive performance related discretionary bonus to be determined by the Board. His emoluments were determined having given consideration to the prevailing market practice, the Company’s remuneration policy and his level of responsibility.

Dr. WANG does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company, and has not held any directorships in any listed public companies in the last three years. As at the date of this announcement, Dr. WANG does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no other information to be disclosed pursuant to rule 13.51(2) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and there is no other matter which needs to be brought to the attention of the shareholders of the Company in connection with the appointment of Dr. WANG.

According to rule 3.10A of the Listing Rules, independent non-executive directors of a listed issuer must represent at least one-third of its board of directors. Upon the appointment of Dr. WANG as an executive director of the Company, the Board comprises sixteen members with ten executive directors, one non-executive director and five independent non-executive directors. As a result, the number of independent non-executive directors of the Company falls below one-third of the Board as required under rule 3.10A of the Listing Rules. The Company will endeavour to ensure the presence of sufficient number of independent non-executive directors within three months from the date of this announcement and will make further announcement as and when appropriate.

The Board warmly welcomes Dr. WANG to join the Board.

By order of the board
CSPC Pharmaceutical Group Limited
CAI Dongchen
Chairman

Hong Kong, 20 August 2018

As at the date of this announcement, the Board comprises Mr. CAI Dongchen, Mr. WANG Zhenguo, Mr. PAN Weidong, Mr. WANG Huaiyu, Dr. WANG Jinxu, Mr. LU Hua, Dr. LI Chunlei, Mr. ZHANG Cuilong, Dr. WANG Qingxi 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, Professor LO Yuk Lam, Mr. YU Jinming and Mr. CHEN Chuan as independent non-executive directors.