

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.

This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company nor shall there be any sale, purchase or subscription for securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful absent the filing of a registration statement or the availability of an applicable exemption from registration or other waiver. This joint announcement is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.



山東羅欣藥業集團股份有限公司

SHANDONG LUOXIN PHARMACEUTICAL GROUP STOCK CO., LTD.*

(a joint stock limited company established in the People's Republic of China with limited liability)

(Stock code: 8058)



GL Capital Group
德福資本

**GL INSTRUMENT
INVESTMENT L.P.**

*(a limited partnership registered
in Canada)*

**GIANT STAR GLOBAL (HK)
LIMITED**

*(a company incorporated in
Hong Kong with limited liability)*



Ally Bridge Group

**ALLY BRIDGE FLAGSHIP LX
(HK) LIMITED**

*(a company incorporated in
Hong Kong with limited liability)*

JOINT ANNOUNCEMENT

DESPATCH OF COMPOSITE DOCUMENT RELATING TO

**VOLUNTARY CONDITIONAL OFFER BY SOMERLEY CAPITAL LIMITED
ON BEHALF OF GIANT STAR GLOBAL (HK) LIMITED
(TO BE CO-INVESTED BY ENTITIES CONTROLLED BY MR. LIU ZHENTENG AND
GL CAPITAL RESPECTIVELY)
AND ALLY BRIDGE FLAGSHIP
FOR ALL THE ISSUED H SHARES IN
SHANDONG LUOXIN PHARMACEUTICAL GROUP STOCK CO., LTD.
(OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED
TO BE ACQUIRED BY THE JOINT OFFERORS
AND PARTIES ACTING IN CONCERT WITH ANY OF THEM WHO HAVE
UNDERTAKEN NOT TO ACCEPT THE OFFER)**

**PROPOSED WITHDRAWAL OF LISTING OF THE H SHARES OF
SHANDONG LUOXIN PHARMACEUTICAL GROUP STOCK CO., LTD.**

Financial Adviser to the Joint Offerors



SOMERLEY CAPITAL LIMITED

Independent Financial Adviser to the Independent Committee



凱基金融亞洲 中華開發金控
KGI CAPITAL ASIA

Financier to Ally Bridge Flagship



新鴻基金融集團
SUN HUNG KAI FINANCIAL

* for identification purposes only

References are made to the (i) joint announcement (the “**Joint Announcement**”) dated 13 March 2017 in relation to, among others, the voluntary conditional offer by Somerley Capital on behalf of the Joint Offerors for all the issued H Shares (other than those already owned, controlled or agreed to be acquired by the Joint Offerors and parties acting in concert with any of them who have undertaken not to accept the Offer); and (ii) the announcement dated 3 April 2017 jointly issued by the Joint Offerors, GL Instrument and the Company in relation to delay in despatch of the Composite Document. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Joint Announcement and the Composite Document.

Despatch of the Composite Document

The Composite Document, together with the accompanying form of acceptance, containing, among other things, (i) the expected timetable of the Offer; (ii) the detailed terms and conditions of the Offer; (iii) the letter from the Joint Offerors; (iv) the letter from Somerley Capital; (v) the letter from the Board; (vi) the letter from the Independent Committee; and (vii) the letter from the Independent Financial Adviser have been despatched to the H Shareholders on 11 April 2017.

Copies of the Composite Document and the accompanying form of acceptance are also available at the website of the Stock Exchange.

Expected Timetable of the Offer

The expected timetable of the Offer in the Composite Document as reproduced below is indicative only and further announcement(s) will be made in the event of any changes when appropriate. Unless otherwise specified, all time and date references contained in this announcement refer to Hong Kong times and dates.

Despatch date of the Composite Document..... Tuesday, 11 April 2017

Opening date of the Offer (*Note 1*)..... Tuesday, 11 April 2017

Latest time for lodging transfers of the Shares
in order to be entitled to attend and vote at
the EGM and the H Share Class Meeting 4:30 p.m. on
Friday, 28 April 2017

Record time and date for the EGM
and the H Share Class Meeting..... 4:30 p.m. on
Friday, 28 April 2017

Closure of the register of the Company for the determination
of entitlements of the Independent Shareholders to attend
and vote at the EGM and the H Share Class Meeting Saturday, 29 April 2017 to
Monday, 29 May 2017
(both days inclusive)

Last day for return of reply slips for the EGM
and the H Share Class Meeting (*Note 2*) Tuesday, 9 May 2017

Latest time for lodging proxy forms in respect of the EGM (<i>Note 3</i>)	10:30 a.m. on Sunday, 28 May 2017
Latest time for lodging proxy forms in respect of the H Share Class Meeting (<i>Note 3</i>).....	11:00 a.m. on Sunday, 28 May 2017
EGM.....	10:30 a.m. on Monday, 29 May 2017
H Share Class Meeting	11:00 a.m. on Monday, 29 May 2017 or immediately after the conclusion or adjournment of the EGM
Announcement of the results of the EGM and the H Share Class Meeting on the website of the Stock Exchange.....	by 7:00 p.m. on Monday, 29 May 2017
Unconditional Date (<i>Note 4</i>).....	Monday, 29 May 2017
Re-opening of the register of the Company	9:00 a.m. on Wednesday, 31 May 2017
Last day of trading in the H Shares on the Stock Exchange.....	Monday, 5 June 2017
Latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances received at or before the Unconditional Date (<i>Note 5</i>)	Thursday, 8 June 2017
Announcement made and written notification sent to the H Shareholders in respect of the Closing Date and the implication of not accepting the Offer (<i>Note 6</i>).....	by Monday, 12 June 2017
Withdrawal of the listing of the H Shares from the Stock Exchange (<i>Note 7</i>)	9:00 a.m. on Friday, 16 June 2017
Latest time and date for the Offer remaining open for acceptance on Closing Date (<i>Note 8</i>)	4:00 p.m. on Monday, 26 June 2017
Closing Date.....	Monday, 26 June 2017
Announcement of the results of the Offer as at the Closing Date on the website of the Stock Exchange.....	by 7:00 p.m. on Monday, 26 June 2017

Latest date for posting of remittances for
the amounts due under the Offer in respect of
valid acceptances received at or before
the latest time for acceptances of
the Offer on the Closing Date (*Note 5*)..... Wednesday, 5 July 2017

Notes:

- (1) The Offer is made on Tuesday, 11 April 2017, the date of posting of the Composite Document, and is capable of being accepted on and from that date.
- (2) Reply slips should be duly completed and returned to the Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of H Shareholders) or the registered office of the Company at Luoqi Road, Linyi High and New Technology Industries Development Zone, Shandong Province, the PRC (in case of Domestic Shareholders) no later than Tuesday, 9 May 2017 (i.e. 20 days prior to the date of convening of the EGM and the H Share Class Meeting). Failure to return the reply slips will not affect the Shareholders' right to attend the EGM and the H Share Class Meeting.
- (3) Proxy forms should be deposited with the Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of H Shareholders) or the registered office of the Company at Luoqi Road, Linyi High and New Technology Industries Development Zone, Shandong Province, the PRC (in case of Domestic Shareholders) as soon as possible and in any event by the time stated above, in order to be valid. Completion and return of a proxy form for the EGM or the H Share Class Meeting (as the case may be) will not preclude an Independent Shareholder from attending the EGM or the H Share Class Meeting (as the case may be) and voting in person if he/she/it so wishes and if such Independent Shareholder has notified the Company not less than 24 hours in writing before the time appointed for any adjournment of the EGM or the H Share Class Meeting (as the case may be). In such event, the returned proxy form will be deemed to have been revoked.
- (4) It is expected that the Unconditional Date will be Monday, 29 May 2017, subject to the conditions of the Offer having been satisfied or waived (as the case may be).
- (5) Pursuant to Rule 20.1 of the Takeovers Code, settlement in cash in respect of acceptances of the Offer will be made within 7 Business Days of the later of the Unconditional Date and the date on which the H Shares are tendered for acceptance of the Offer. Relevant documents of title must be received by the Registrar to render each acceptance of the Offer complete and valid. For this purpose, Business Days refers to the days on which the Stock Exchange is open for transaction of business.
- (6) In accordance with Rule 15.3 of the Takeovers Code, where the Offer becomes or is declared unconditional (whether as to acceptances or in all respects), it should remain open for acceptance for not less than 14 days thereafter. In such case, at least 14 days' notice in writing must be given before the Offer is closed to the H Shareholders who have not accepted the Offer if the announcement to extend the Offer does not state the next closing date. The Joint Offerors will extend the 14-day period under Rule 15.3 of the Takeovers Code to 28 calendar days.
- (7) It is currently expected that the withdrawal of listing of the H Shares from the Stock Exchange would happen at 9:00 a.m. on Friday, 16 June 2017, subject to the satisfaction of any conditions for the Delisting and receipt of any regulatory approvals required for the Delisting.
- (8) The Joint Offerors reserve the right to extend the Offer until such time and/or date as it may determine and in accordance with the Takeovers Code. The Joint Offerors will issue an announcement, stating whether the Offer has been revised or extended, has expired or has become or been declared unconditional (as to acceptances or in all respects).

Important

The H Shareholders are strongly advised to read the Composite Document and the accompanying form of acceptance carefully, including the letter from the Independent Committee and the letter from the Independent Financial Adviser, before deciding whether to accept or reject the Offer.

The Joint Offerors have no rights under the laws of the PRC and the Articles of Association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the Offer. Accordingly, the H Shareholders are reminded that if they do not accept the Offer and the Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Stock Exchange, this will result in the H Shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, the Company will no longer be subject to the requirements under the GEM Listing Rules and may or may not continue to be subject to the Takeovers Code after completion of the Offer depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.

The Offer is subject to a number of conditions as set out in the Composite Document. The Offer may or may not become unconditional, and may or may not complete. Shareholders and/or potential investors should therefore exercise caution when dealing in the shares of the Company, and if they are in any doubt, they should consult their professional advisers.

By order of the board of directors of
Giant Star Global (HK) Limited
Liu Zhenteng
Director

By order of the Board of
**Shandong Luoxin Pharmaceutical
Group Stock Co., Ltd.***
Han Fengsheng
Executive Director

By order of the board of directors of
Ally Bridge Flagship LX (HK) Limited
Pang Andrew Chee On
Director

By order of the board of directors of
**GL Capital Management
GP II B.C. 4 Ltd.**
as the general partner of
GL Instrument Investment L.P.
Li Zhenfu
Director

The PRC, 11 April 2017

As at the date of this joint announcement, the sole director of Giant Star HK is Mr. Liu Zhenteng.

The sole director of Giant Star HK accepts full responsibility for the accuracy of the information (other than that relating to the Group, GL Capital, and Ally Bridge Group) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than that expressed by the Directors, or the directors or general partners of GL Capital or Ally

Bridge Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the general partner of GL Instrument Investment L.P. is GL Capital Management GP II B.C. 4 Ltd. and the sole director of GL Capital Management GP II B.C. 4 Ltd. is Mr. Li Zhenfu.

The sole director of GL Capital Management GP II B.C. 4 Ltd. accepts full responsibility for the accuracy of the information in connection with GL Capital contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement by the director or general partner of GL Capital have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of Ally Bridge Flagship is Mr. Pang Andrew Chee On.

The sole director of Ally Bridge Flagship accepts full responsibility for the accuracy of the information in connection with Ally Bridge Group contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement by the directors or general partners of Ally Bridge Group have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises 10 Directors, of which Mr. Liu Baoqi (劉保起), Ms. Li Minghua (李明華), Mr. Han Fengsheng (韓風生), Mr. Chen Yu (陳雨) and Mr. Liu Zhenteng (劉振騰) are executive Directors; Mr. Liu Zhenhai (劉振海) is a non-executive Director; and Mr. Foo Tin Chung, Victor (傅天忠), Mr. Fu Hongzheng (付宏征), Prof. Du Guanhua (杜冠華) and Ms. Huang Huiwen (黃慧文) are independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information in connection with the Group contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the Directors have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This joint announcement will remain on the “Latest Company Announcements” page of the Growth Enterprise Market website at www.hkgem.com for at least 7 days from its date of publication and on the Company’s designated website at: <http://shandongluoxin.quamir.com>.

** for identification purposes only*