

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this 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 announcement.



四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.

四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 0460)

VOLUNTARY ANNOUNCEMENT

**SIHUAN PHARMACEUTICAL AND
HETERO LABS LIMITED REACHED
A FRAMEWORK COOPERATION AGREEMENT
IN PHARMACEUTICAL MANUFACTURING AREA**

The board of directors (the “**Board**”) of Sihuan Pharmaceutical Holdings Group Ltd. (the “**Company**” or “**Sihuan Pharmaceutical**”, together with its subsidiaries, the “**Group**”) is pleased to announce that the Group and Hetero Labs Limited (“**Hetero**”), a company registered under the laws of India, reached a framework cooperation agreement in the pharmaceutical manufacturing area after several rounds of discussion. The Cooperation includes research and development (“**R&D**”), product registration, technology transfer, raw materials supply and local manufacturing and commercialization of drugs in the fields of cardiovascular, cerebrovascular, neurology and anti-infectives including novel coronavirus (2019-nCoV), etc.

Sihuan Pharmaceutical, founded in 2001, is a pharmaceutical group with 21 subsidiaries and integrated R&D, production and marketing and sales capabilities. Because of the continuing efforts over the past decade, Sihuan Pharmaceutical has formed a R&D platform with over 1,000 researchers conducting more than 110 pharmaceutical research projects currently. More than 300 patents on innovative drugs were granted in China and over 80 are PCT patents, covering pipeline projects including important areas of diabetes, oncology, anti-infectives and non-alcoholic steatohepatitis etc.

Hetero, founded in 1989, is the world's leading producer of anti-retroviral drugs for the treatment of HIV/AIDS backed by over 25 years of expertise in the pharmaceutical industry. Hetero caters about 40% of the identified HIV/AIDS patients globally through around 30 anti-retroviral products combinations. In addition, Hetero is growing as a reliable partner in the industry specializing in major therapeutic categories such as oncology, cardiovascular, neurology, hepatitis, nephrology, urology, diabetes, ophthalmology and immunology, etc., with around 300 products in the portfolio.

The signing of this framework cooperation agreement will achieve a win-win situation in which the two parties complement each other's strengths and jointly accelerate their development. On one hand, Hetero's anti-viral and anti-infection products will be introduced to China by Sihuan Pharmaceutical which is equipped with standardized production capacity and strong marketing capabilities for local production and sales. This will also enrich the Group's R&D and product pipeline. On the other hand, Hetero will explore the great potential in the China market.

Based on the prevalence of the novel coronavirus pneumonia in China, both parties agreed to take the introduction, development and production of new coronavirus drugs as a priority issue, giving priority and contributing to China's fight against the pandemic.

This announcement is being made by the Company on a voluntary basis to let the investing public understand the Group's latest business development, and does not constitute, and is not intended to be, an advertisement regarding the use of any medicine, surgical appliance, treatment or orally consumed product.

By order of the Board
Sihuan Pharmaceutical Holdings Group Ltd.
Dr. Che Fengsheng
Chairman and Executive Director

Hong Kong, 11 February 2020

As at the date of this announcement, the executive directors of the Company are Dr. Che Fengsheng (Chairman), Dr. Guo Weicheng (Deputy Chairman and Chief Executive Officer), Mr. Choi Yiau Chong, Dr. Zhang Jionglong and Ms. Chen Yanling; the non-executive director of the Company is Mr. Kim Jin Ha; and the independent non-executive directors of the Company are Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun.