

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.



康臣葯業集團有限公司
CONSUN PHARMACEUTICAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1681)

INSIDE INFORMATION

POTENTIAL SPIN-OFF AND LISTING OF YULIN PHARMACEUTICAL ON A STOCK EXCHANGE IN THE PRC

This announcement is made by Consun Pharmaceutical Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is considering a possible spin-off and listing of Guangxi Yulin Pharmaceutical Group Co., Ltd. (廣西玉林製藥集團有限公司) (“**Yulin Pharmaceutical**”) and its subsidiaries on a stock exchange in the People’s Republic of China (the “**PRC**”) (the “**Potential Spin-off and Listing**”). Yulin Pharmaceutical is an indirect non-wholly-owned subsidiary of the Company and is principally engaged in the business of research and development, production and sales of Chinese medicines and natural medicines.

On 18 October 2017, the Company has appointed a financial adviser for the purpose of the Potential Spin-off and Listing to review and advise on the feasibility, structure and timing of the Potential Spin-off and Listing and to assist in the restructuring, reorganization and the Potential Spin-off and Listing. As at the date of this announcement, Yulin Pharmaceutical has not submitted any listing application to the China Securities Regulatory Commission, the relevant stock exchange in the PRC, the Hong Kong Stock Exchange or other relevant regulatory authorities.

The Company will submit an application in relation to the Potential Spin-off and Listing to the Hong Kong Stock Exchange for approval pursuant to Practice Note 15 of the Listing Rules in due course. Pursuant to Chapter 14 of the Listing Rules, the Potential Spin-off and Listing, if materializes and depends on its structure, may constitute a deemed disposal and/or a discloseable transaction of the Company as set out in Chapter 14 of the Listing Rules. The Company will be in strict compliance with the relevant requirements of the Listing Rules and further disclosure will be made by the Company as and when appropriate in compliance with the relevant requirements of the Listing Rules.

Shareholders and potential investors of the Company should note that, the Potential Spin-off and Listing is subject to, inter alia, the prevailing market conditions and approvals from relevant authorities, including the China Securities Regulatory Commission, the relevant stock exchange in the PRC and the Hong Kong Stock Exchange. Accordingly, shareholders and potential investors of the Company should be aware that, the Company does not guarantee that the Potential Spin-off and Listing will proceed, nor the timing thereof. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Consun Pharmaceutical Group Limited
AN Yubao
Chairman

Hong Kong, 18 October 2017

As at the date of this announcement, the Board comprises Mr. AN Yubao, Ms. LI Qian and Professor ZHU Quan as executive Directors; Mr. LIN Sheng as non-executive Director; Mr. SU Yuanfu, Mr. FENG Zhongshi and Ms. CHENG Xinxin as independent non-executive Directors.