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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)

**VOLUNTARY ANNOUNCEMENT
ENTERING INTO A STRATEGIC COOPERATION FRAMEWORK
AGREEMENT WITH SCHOOL OF MEDICINE,
SOUTH CHINA UNIVERSITY OF TECHNOLOGY**

This announcement is made by Consun Pharmaceutical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

STRATEGIC COOPERATION FRAMEWORK AGREEMENT

The board of directors (the “**Board**”) of the Company is pleased to announce that, on 17 January 2019, the Group entered into a strategic cooperation framework agreement (the “**Strategic Cooperation Agreement**”) with the School of Medicine, South China University of Technology (“**SCUT School of Medicine**”, collectively, the “**Parties**”).

South China University of Technology is a national key university located in Guangzhou, the People’s Republic of China (the “**PRC**”), while SCUT School of Medicine is co-founded by South China University of Technology (“**SCUT**”) and Guangdong General Hospital, and has established various professions, such as medical imaging, medical imaging technology and bioinformatics.

In accordance with the Strategic Cooperation Agreement, the Parties agreed to cooperate in various areas, including but not limited to the following:

1. Facilitate the implementation of an award scheme for promoting synergic innovation between universities and enterprises

The Group will establish the “Consun Award for Synergic Innovation” (「康臣協同創新獎勵金」) to award teachers and students who have made breakthroughs and achieved outstanding results in scientific research in medicine related studies. The award scheme will be implemented from October 2019 for a period of five years.

2. Establish “Consun-SCUT Research Centre for Medical Imaging”

The Parties will gradually establish a technologic innovation system covering three levels, the basic level, the technical level and the application level in the scientific research and application areas of medical imaging in accordance with the development strategy of “leading in application, breakthrough of basic aspects, and synergic development” based on their respective advantages so as to jointly build a research centre for medical imaging.

3. Establish a joint-research and development and achievements sharing mechanism

The Parties shall cooperate and work together in medical-related areas, to jointly apply for projects funded by national and provincial government and awards for achievements in scientific research in the PRC, publish research papers together, and share achievements in scientific research and intellectual properties (including but not limited to patents). The Group can have the priority to choose achievements in scientific research to carry out industrial operations. The Parties shall share the revenue generated from industrial operations based on the market by way of, including but not limited to, transfer of or investment in achievements in scientific research, sales revenue or profit-sharing.

The Strategic Cooperation Agreement is entered into by the Parties as a framework for their long-term cooperation. Further contracts will be entered into by the Parties in relation to each specific business under the Strategic Cooperation Agreement, setting out the subject matters of cooperation as well as rights and obligations of the Parties. The Company will make further announcement in relation to the specific business agreement where appropriate.

The Strategic Cooperation Agreement is based on the cooperation in the field of diagnostic imaging. Through self-dependent and cooperative research and development and acquisition of products and others, it would help the Group in becoming an advanced biotechnology group, in this regard, the Board considers that the cooperation will be favourable to the Group.

As the entering of formal agreement with regard to any cooperation may or may not proceed, shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 17 January 2019

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