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**丽珠医药**  
**LIVZON**

**麗珠醫藥集團股份有限公司**

**LIVZON PHARMACEUTICAL GROUP INC.\***

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

**(Stock code: 1513)**

## **PROPOSED REVISION OF THE EXISTING LIVZON MAB GUARANTEES**

### **PROPOSED REVISION OF THE EXISTING LIVZON MAB GUARANTEES**

References are made to the announcement of the Company dated 15 April 2021 and the circular of the Company dated 24 April 2021 in relation to, among other things, the Existing Livzon MAB Guarantees. The resolution of the Existing Livzon MAB Guarantees was approved by the Shareholders at the 2020 annual general meeting of the Company convened on 20 May 2021. The cap of the Existing Livzon MAB Guarantees was set at no more than RMB1,005,000,000 (or its equivalent in foreign currencies) for a term of one year.

The global trend of COVID-19 pandemic remains rampant. Currently, given Livzon MAB's (i) acceleration in the research and development ("R&D") of vaccines for 2019-nCoV and its mutant strains (mainly against the South African and Indian strains), (ii) procurement costs of key raw materials for 2019-nCoV vaccines has increased, and (iii) expected increase in production capacity for its 2019-nCoV vaccines, as such the Board is of the view that the cap of the Existing Livzon MAB Guarantees (of no more than RMB1,005,000,000 or its equivalent in foreign currencies for a term of one year), granted for the purposes of financing the business and operations of Livzon MAB, is not sufficient to meet the requirements of business needs and R&D of Livzon MAB. Therefore, on 4 June 2021, the Board has considered and approved the New Livzon MAB Guarantees and consented to revise the cap of the Existing Livzon MAB Guarantees to no more than RMB2,350,000,000 (or its equivalent in foreign currencies) for a term of one year.

## **HONG KONG LISTING RULES IMPLICATIONS**

As at the date of this announcement, Joincare directly and indirectly holds approximately 44.81% of the total issued share capital of the Company, and Livzon MAB is indirectly held as to 33.07% by Joincare. Therefore, Livzon MAB, being an associate of Joincare, is a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules. As such, the New Livzon MAB Guarantees constitute connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined in the Hong Kong Listing Rules) in respect of the New Livzon MAB Guarantees exceeds 5%, therefore the New Livzon MAB Guarantees are subject to the requirements of reporting, announcement, annual review and approval of the independent Shareholders under Chapter 14A of the Hong Kong Listing Rules.

As the Joincare Counter Guarantees to be provided in relation to the New Livzon MAB Guarantees by Joincare are on normal commercial terms or better and will not be secured by the assets of the Group, according to Rule 14A.90 of the Hong Kong Listing Rules, the Joincare Counter Guarantees will be fully exempt from reporting, annual review, announcements, and independent Shareholders' approval under Chapter 14A of the Hong Kong Listing Rules.

This resolution (i.e. the New Livzon MAB Guarantees) involves changes to the previous resolution (i.e. the Existing Livzon MAB Guarantees) approved at the previous general meeting (i.e. the 2020 annual general meeting of the Company). Therefore, if approval for the New Livzon MAB Guarantees is granted at the general meeting of the Company, the New Livzon MAB Guarantees will be implemented and the Existing Livzon MAB Guarantees will lapse.

According to the Shenzhen Listing Rules and the Articles of Association, the New Livzon MAB Guarantees will become effective subject to the approval of Shareholders by way of special resolution at the EGM. Therefore, it is proposed that Shareholders (including Independent Shareholders) shall grant approval to the New Livzon MAB Guarantees at the EGM, and it is proposed that authorization shall be granted to the Board and other persons authorised by the Board to negotiate with each of the Banks regarding the specific details of the amount of guarantees within the cap of the New Livzon MAB Guarantees, and to execute all relevant documents. Please refer to the circular of the EGM expected to be despatched by the Company on or before 25 June 2021 pursuant to the Hong Kong Listing Rules for relevant details.

## **GENERAL**

Given that (i) Mr. Zhu Baoguo, the non-executive Director and the chairman of the Company, is also the chairman of Joincare and indirectly holds 45.73% equity interest in Joincare and 33.07% equity interest in Livzon MAB as at the date of this announcement; (ii) Mr. Qiu Qingfeng and Mr. Yu Xiong, the non-executive Directors, are also a director and the president of Joincare, respectively, and (iii) Mr. Tang Yanggang, the executive Director, and Mr. Tao Desheng, the non-executive Director, are also directors of Livzon MAB, therefore Mr. Zhu Baoguo, Mr. Qiu Qingfeng, Mr. Yu Xiong, Mr. Tao Desheng and Mr. Tang Yanggang are deemed to have material interest in the New Livzon MAB Guarantees and have abstained from voting at the Board meetings approving the New Livzon MAB Guarantees. Except for Mr. Zhu Baoguo, Mr. Qiu Qingfeng, Mr. Yu Xiong, Mr. Tao Desheng and Mr. Tang Yanggang, no other Directors are required to abstain from voting at the Board meetings approving the New Livzon MAB Guarantees.

As at the date of this announcement, as Joincare and its associates directly and indirectly hold approximately 44.81% of the total issued share capital of the Company, hence they are required to abstain from voting on the resolution approving the New Livzon MAB Guarantees at the EGM.

The Independent Board Committee comprising all independent non-executive Directors has been established by the Company to advise the independent Shareholders on the New Livzon MAB Guarantees and the transactions contemplated thereunder. The Company has appointed Frontpage Capital, an independent financial advisor, to advise the Independent Board Committee and the independent Shareholders on the New Livzon MAB Guarantees and the transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the New Livzon MAB Guarantees, (ii) a letter from the Independent Board Committee of the Company, (iii) a letter from the Independent Financial Advisor of the Company (both letters shall provide advice on the New Livzon MAB Guarantees and the transactions contemplated thereunder), and (iv) other information as required under the Hong Kong Listing Rules is expected to be despatched by the Company on or before 25 June 2021 in compliance with the Hong Kong Listing Rules.

## **BACKGROUND**

References are made to the announcement of the Company dated 15 April 2021 and the circular of the Company dated 24 April 2021 in relation to, among other things, the Existing Livzon MAB Guarantees. The resolution of the Existing Livzon MAB Guarantees was approved by the Shareholders at the 2020 annual general meeting of the Company convened on 20 May 2021. The cap of the Existing Livzon MAB Guarantees was set at no more than RMB1,005,000,000 (or its equivalent in foreign currencies) for a term of one year.

The global trend of COVID-19 pandemic remains rampant. Currently, given Livzon MAB's (i) acceleration in the R&D of vaccines for 2019-nCoV and its mutant strains (mainly against the South African and Indian strains), (ii) procurement costs of key raw materials for 2019-nCoV vaccines has increased, and (iii) expected increase in production capacity for its 2019-nCoV vaccines, as such the Board is of the view that the cap of the Existing Livzon MAB Guarantees (of no more than RMB1,005,000,000 or its equivalent in foreign currencies for a term of one year), granted for the purposes of financing the business and operations of Livzon MAB, is not sufficient to meet the requirements of business needs and R&D of Livzon MAB. Therefore, on 4 June 2021, the Board has considered and approved the New Livzon MAB Guarantees and consented to revise the cap of the Existing Livzon MAB Guarantees to no more than RMB2,350,000,000 (or its equivalent in foreign currencies) for a term of one year.

### PROPOSED REVISION OF THE EXISTING LIVZON MAB GUARANTEES

The details of the Existing Livzon MAB Guarantees and the New Livzon MAB Guarantees are set out below:

Guaranteed entity	Shareholding of the Company	Name of facility granting Bank	Currency	Revised maximum guarantee amount (RMB)	Original maximum guarantee amount (RMB)	Term of guarantee (year)	Type of guarantee	Note
Livzon MAB	51.00%	Export-Import Bank of China	RMB	200,000,000	N/A	1	Joint liability guarantee	
		Bank of China Limited	RMB	300,000,000	N/A	1		
		Agricultural Bank	RMB	200,000,000	200,000,000	1		Amount to be shared with the Group
		Industrial and Commercial Bank	RMB	300,000,000	105,000,000	1		
		China Construction Bank Corporation	RMB	200,000,000	N/A	1		

	Bank of Communications	RMB	150,000,000	100,000,000	1		
	China Merchants Bank	RMB	300,000,000	300,000,000	1		Amount to be shared with the Group
	PingAn Bank Co., Ltd.	RMB	300,000,000	N/A	1		Amount to be shared with the Group
	China CITIC Bank	RMB	200,000,000	200,000,000	1		Amount to be shared with the Group
	China Minsheng Banking Corp., Ltd.	RMB	200,000,000	100,000,000	1		
	<b>Total</b>	<b>RMB</b>	<b>2,350,000,000</b>	<b>1,005,000,000</b>			

In order to ensure the fairness and equity of the New Livzon MAB Guarantees, Joincare, which indirectly holds 33.07% equity interests of Livzon MAB, will provide to the Company with a “Letter of Undertaking for Counter Guarantee” subject to the approval by its shareholders, pursuant to which it will undertake to provide counter guarantees in proportion to its shareholdings in Livzon MAB (the “**Joincare Counter Guarantees**”), and the guarantee period of the Joincare Counter Guarantees will be expired on the expiry date of the Company’s obligation under the New Livzon MAB Guarantees. Based on an audited net assets of approximately RMB19,236.90 million and an unaudited net assets of approximately RMB19,836.71 million as at 31 December 2020 and 31 March 2021, respectively, of Joincare, the Directors are of the view that Joincare has sufficient financial ability to fulfil its obligation under the Joincare Counter Guarantees. In addition, Livzon MAB will only apply and draw down the New Livzon MAB Facilities and hence the Company will only enter into specific guarantee agreements with the Banks in respect of the New Livzon MAB Guarantees upon the shareholders of Joincare approving the Joincare Counter Guarantees.

## **INTENDED USE OF THE NEW LIVZON MAB FACILITIES**

The New Livzon MAB Facilities are intended to be used to finance the general operation and business of Livzon MAB to facilitate the R&D and the production of the 2019-nCoV vaccines of Livzon MAB, including the Phase III clinical trial of the Recombinant SARS-CoV-2 Fusion Protein Vaccine (重組新型冠狀病毒融合蛋白疫苗) (which is expected to be carried out in the second half of 2021) and the relevant commercial production activities (including purchasing raw materials for producing 2019-nCoV vaccines), and the R&D of vaccines for 2019-nCoV mutant strains (mainly against the South African and Indian strains).

As at the date of this announcement, except for (i) the guarantee agreement of RMB50.00 million entered into between the Company and Bank of Communications on 20 March 2020, (ii) the guarantee agreement of RMB300.00 million entered into between the Company and China Merchants Bank on 17 July 2020, (iii) the guarantee agreement of RMB60.00 million entered into between the Company and Agricultural Bank on 12 April 2021, (iv) the guarantee agreement of RMB200.00 million entered into between the Company and China CITIC Bank on 20 April 2021, and (v) the guarantee agreement of RMB105.00 million entered into between the Company and Industrial and Commercial Bank on 27 May 2021, the Company has not entered into any other relevant agreements in relation to the Existing Livzon MAB Guarantees. Please refer to the circular of the Company dated 24 April 2021 for further details.

## **BASIS OF DETERMINATION FOR THE NEW LIVZON MAB GUARANTEES**

The cap of the New Livzon MAB Guarantees is determined with reference to:

- (i) the expected amount to be used for the Phase III clinical trial of the Recombinant SARS-CoV-2 Fusion Protein Vaccine researched and developed by Livzon MAB;
- (ii) the expected amount to be used for the commercial production of the Recombinant SARS-CoV-2 Fusion Protein Vaccine researched and developed by Livzon MAB;
- (iii) the expected amount to be used by Livzon MAB in accelerating the R&D of vaccines for 2019-nCoV mutant strains (mainly against the South African and Indian strains);
- (iv) the Existing Livzon MAB Guarantees (please refer to the circular of the Company dated 24 April 2021 for details); and
- (v) an additional buffer of 10% on the aggregate amount expected to be required as stated in (i) to (iii) above, for any unforeseeable increase in expenses of clinical trial and production and to cover the risk of the inability of the Banks to provide loans on a timely basis.

## INTERNAL CONTROL MEASURES

To safeguard the interests of the Shareholders as a whole, including the minority Shareholders, the Company has adopted internal approval and monitoring procedures relating to the New Livzon MAB Guarantees, which include the followings:

(i) Each transaction to be conducted in respect of the New Livzon MAB Facilities and the New Livzon MAB Guarantees shall comply with the related financing management system of the Company.

(ii) After obtaining the approval of the facilities from any of the Banks, Livzon MAB shall submit it to the financial department (including designated staff and the general manager of finance) and the general manager of Livzon MAB, as well as the secretary of the Board, the financial department (including designated staff, the general manager of finance and the vice president in charge) and the president of the Company for endorsement. Upon such the endorsement, Livzon MAB and the Company can enter into the separate facilities agreements and guarantee agreements, respectively, with the Banks.

(iii) The financial department of the Company will conduct monthly checks to review and assess whether the transactions in respect of the New Livzon MAB Facilities and the New Livzon MAB Guarantees have been conducted in accordance with the terms of relevant agreements, and monitor the actual transaction amount of the New Livzon MAB Facilities. Such checks will be conducted by the financial department of the Company on a monthly basis and the secretary of the Board on a quarterly basis and shall be submitted to the Board for report.

(iv) In the event the amount of the New Livzon MAB Facilities is expected to exceed the approved annual caps, the general manager of finance of the Company shall report to the management of the Company in a timely manner for its determination as to whether revision to the annual caps is required to ensure compliance of the requirements under the Hong Kong Listing Rules.

(v) The auditor of the Company will conduct an annual review of the transactions in respect of the New Livzon MAB Facilities and the New Livzon MAB Guarantees.

Having considered the internal control measures mentioned above, the Directors (including the independent non-executive Directors) consider that such internal control measures are sufficient to ensure that the New Livzon MAB Guarantees will be entered into on normal commercial terms, and will not impair the interests of the Company and the Shareholders as a whole.

## **REASONS FOR AND BENEFIT OF THE PROPOSED REVISION OF THE EXISTING LIVZON MAB GUARANTEES**

As at the date of this announcement, Livzon MAB is indirectly held as to 51.00% by the Company and is a controlling subsidiary of the Company. The Company, as the controlling shareholder of Livzon MAB, is of the view that the proposed revision of the Existing Livzon MAB Guarantees can better facilitate the rapid and foreseeable business development of Livzon MAB. In addition, the Company has been closely monitoring the business development of Livzon MAB. Given Livzon MAB's (i) acceleration in the R&D of vaccines for 2019-nCoV and its mutant strains (mainly against the South African and Indian strains), (ii) procurement costs of key raw materials for 2019-nCoV vaccines has increased, and (iii) expected increase in production capacity for its 2019-nCoV vaccines, in order to cope with the global demand for 2019-nCoV vaccines, the Existing Livzon MAB Guarantees will no longer be sufficient to support the R&D activities of Livzon MAB to be carried out throughout the year and its expected annual production targets. The Directors (including the independent non-executive Directors) are of the view that the Company will benefit from the provision of the New Livzon MAB Guarantees which will facilitate the daily operation and business of Livzon MAB to be supported by the New Livzon MAB Facilities, and the Company will benefit from alleviating its capital contribution requirement into Livzon MAB and optimising its capital allocation to the other profitable business segments, therefore benefiting the overall business development and strengthening the financial position of the Group.

In addition, it is common commercial practice for banks in the PRC to require guarantee from the controlling shareholder of a borrower for financing facilities. In view that Joicare will undertake to provide counter guarantees for 33.07% of the obligation of the Company under the New Livzon MAB Guarantees in favour of the Company which corresponds to its shareholdings in Livzon MAB, the Directors (including independent non-executive Directors) consider that the risk exposure to the Company is relatively low.

The Directors (including the independent non-executive Directors) consider that the New Livzon MAB Guarantees are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE COMPANY, LIVZON MAB AND THE BANKS**

### *The Company*

The Company, through its subsidiaries, is principally engaged in the R&D, production and sales of drug preparation products, active pharmaceutical ingredients and intermediates, as well as diagnostic reagents and equipment.

### *Livzon MAB*

Livzon MAB is a limited liability company established in the PRC in 2010 which is indirectly held as to 51.00% by the Company, 33.07% by Joincare, 8.43% by YF Pharmab Limited (an independent third party) and 7.50% by Hainan Lisheng Juyuan Investment Partnership (Limited Partnership) (海南麗生聚源投資合夥企業(有限合夥)). It is principally engaged in research, development and commercialization of biopharmaceutical products.

### *Banks*

The Banks are the financial institutions incorporated in the PRC. To the best knowledge, information and belief of the Board, having made all reasonable enquiries, each of the Bank and its ultimate beneficial owner are independent third parties.

## **HONG KONG LISTING RULES IMPLICATIONS**

As at the date of this announcement, Joincare directly and indirectly holds approximately 44.81% of the total issued share capital of the Company, and Livzon MAB is indirectly held as to 33.07% by Joincare. Therefore, Livzon MAB, being an associate of Joincare, is a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules. As such, the New Livzon MAB Guarantees constitute connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined in the Hong Kong Listing Rules) in respect of the New Livzon MAB Guarantees exceeds 5%, therefore the New Livzon MAB Guarantees are subject to the requirements of reporting, announcement, annual review and approval of the independent Shareholders under Chapter 14A of the Hong Kong Listing Rules.

As the Joincare Counter Guarantees to be provided in relation to the New Livzon MAB Guarantees by Joincare are on normal commercial terms or better and will not be secured by the assets of the Group, according to Rule 14A.90 of the Hong Kong Listing Rules, the Joincare Counter Guarantees will be fully exempt from reporting, annual review, announcements, and independent Shareholders' approval under Chapter 14A of the Hong Kong Listing Rules.

This resolution (i.e. the New Livzon MAB Guarantees) involves changes to the previous resolution (i.e. the Existing Livzon MAB Guarantees) approved at the previous general meeting (i.e. the 2020 annual general meeting of the Company). Therefore, if approval for the New Livzon MAB Guarantees is granted at the general meeting of the Company, the New Livzon MAB Guarantees will be implemented and the Existing Livzon MAB Guarantees will lapse.

According to the Shenzhen Listing Rules and the Articles of Association, the New Livzon MAB Guarantees will become effective subject to the approval of Shareholders by way of special resolution at the EGM. Therefore, it is proposed that Shareholders (including Independent Shareholders) shall grant approval to the New Livzon MAB Guarantees at the EGM, and it is proposed that authorization shall be granted to the Board and other persons authorised by the Board to negotiate with each of the Banks regarding the specific details of the amount of guarantees within the cap of the New Livzon MAB Guarantees, and to execute all relevant documents. Please refer to the circular of the EGM expected to be despatched by the Company on or before 25 June 2021 pursuant to the Hong Kong Listing Rules for relevant details.

## **GENERAL**

Given that (i) Mr. Zhu Baoguo, the non-executive Director and the chairman of the Company, is also the chairman of Joincare and indirectly holds 45.73% equity interest in Joincare and 33.07% equity interest in Livzon MAB as at the date of this announcement; (ii) Mr. Qiu Qingfeng and Mr. Yu Xiong, the non-executive Directors, are also a director and the president of Joincare, respectively, and (iii) Mr. Tang Yanggang, the executive Director, and Mr. Tao Desheng, the non-executive Director, are also directors of Livzon MAB, therefore Mr. Zhu Baoguo, Mr. Qiu Qingfeng, Mr. Yu Xiong, Mr. Tao Desheng and Mr. Tang Yanggang are deemed to have material interest in the New Livzon MAB Guarantees and have abstained from voting at the Board meetings approving the New Livzon MAB Guarantees. Except for Mr. Zhu Baoguo, Mr. Qiu Qingfeng, Mr. Yu Xiong, Mr. Tao Desheng and Mr. Tang Yanggang, no other Directors are required to abstain from voting at the Board meetings approving the New Livzon MAB Guarantees.

As at the date of this announcement, as Joincare and its associates directly and indirectly hold approximately 44.81% of the total issued share capital of the Company, hence they are required to abstain from voting on the resolution approving the New Livzon MAB Guarantees at the EGM.

The Independent Board Committee comprising all independent non-executive Directors has been established by the Company to advise the independent Shareholders on the New Livzon MAB Guarantees and the transactions contemplated thereunder. None of the members of the Independent Board Committee has any interest in the New Livzon MAB Guarantees and the transactions contemplated thereunder.

Frontpage Capital has been appointed as an independent financial advisor of the Company to advise the Independent Board Committee and the independent Shareholders on the New Livzon MAB Guarantees and the transactions contemplated thereunder. The Independent Board Committee will form its view in respect of the New Livzon MAB Guarantees and the transactions contemplated thereunder after obtaining and considering the advice from Frontpage Capital.

A circular containing, among other things, (i) further details of the New Livzon MAB Guarantees, (ii) a letter from the Independent Board Committee of the Company, (iii) a letter from the Independent Financial Advisor of the Company (both letters shall provide advice on the New Livzon MAB Guarantees and the transactions contemplated thereunder), and (iv) other information as required under the Hong Kong Listing Rules is expected to be despatched by the Company on or before 25 June 2021 in compliance with the Hong Kong Listing Rules.

## DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following meanings:

“A Share(s)”	the shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange (stock code: 000513)
“Agricultural Bank”	Agricultural Bank of China Limited
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Banks”	the ten banks including Export-Import Bank of China, Bank of China Limited, Agricultural Bank, Industrial and Commercial Bank, China Construction Bank Corporation, Bank of Communications, China Merchants Bank, PingAn Bank Co., Ltd., China CITIC Bank and China Minsheng Banking Corp., Ltd.
“Bank of Communications”	Bank of Communications Co., Ltd.
“China CITIC Bank”	China CITIC Bank Corporation Limited
“Board”	the board of Directors of the Company
“COVID-19 pandemic”	the outbreak of novel coronavirus (2019-nCoV) disease
“China Merchants Bank”	China Merchants Bank Co., Ltd.

“Company”	麗珠醫藥集團股份有限公司 Livzon Pharmaceutical Group Inc.*, a joint stock company incorporated in the PRC in accordance with the Company Law on 26 January 1985 with limited liability, whose H Shares and A Shares are listed on the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, respectively
“Company Law”	Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
“controlling shareholder(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the 2021 third extraordinary general meeting proposed to be held by the Company to consider matters relating to the New Livzon MAB Guarantees
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas-listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange (stock code: 01513)
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Industrial and Commercial Bank”	Industrial and Commercial Bank of China Ltd.
“Independent Board Committee”	the independent board committee of the Company comprising all independent non-executive Directors

“Independent Financial Adviser” or “Frontpage Capital”	Frontpage Capital Limited, a licensed corporation registered to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance, and has been appointed by the Independent Board Committee as independent financial adviser to provide advice on the New Livzon MAB Guarantees and the contemplated transactions thereunder to the Independent Board Committee and independent Shareholders
“Joincare”	健康元藥業集團股份有限公司 Joincare Pharmaceutical Industry Group Co., Ltd.* (Shanghai Stock Exchange stock code: 600380), a joint stock company incorporated in the PRC with limited liability and listed on the Shanghai Stock Exchange in 2001 and one of the Company’s controlling shareholders
“Livzon MAB”	Livzon MABPharm Inc.* (珠海市麗珠單抗生物技術有限公司), a controlling subsidiary of the Company
“Existing Livzon MAB Facilities”	the facilities up to a maximum of RMB1,005,000,000 (or its equivalent in foreign currencies) in aggregate to be applied by Livzon MAB from six banks
“Existing Livzon MAB Guarantees”	the financing guarantees up to a maximum of RMB1,005,000,000 (or its equivalent in foreign currencies) in aggregate to be provided by the Company in favour of six banks to secure the Existing Livzon MAB Facilities
“New Livzon MAB Facilities”	the facilities up to a maximum of RMB2,350,000,000 (or its equivalent in foreign currencies) in aggregate to be applied by Livzon MAB from the Banks
“New Livzon MAB Guarantees”	the financing guarantees up to a maximum of RMB2,350,000,000 (or its equivalent in foreign currencies) in aggregate to be provided by the Company in favour of the Banks to secure the New Livzon MAB Facilities

“PRC” or “China”	the People’s Republic of China, which, for the purpose of this announcement, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Shenzhen Stock Exchange”	the Shenzhen Stock Exchange (深圳證券交易所)
“Shenzhen Listing Rules”	the Stock Listing Rules of the Shenzhen Stock Exchange (as amended in 2018) (《深圳證券交易所股票上市規則(2018年修訂)》)
“2019-nCoV”	the novel coronavirus (2019-nCoV)
“2019-nCoV vaccine(s)”	the vaccine(s) for novel coronavirus (2019-nCoV)

By order of the Board  
麗珠醫藥集團股份有限公司  
**Livzon Pharmaceutical Group Inc. \***  
**Yang Liang**  
Company Secretary

Zhuhai, China  
4 June 2021

*As at the date of this announcement, the Executive Directors of the Company are Mr. Tang Yanggang (President) and Mr. Xu Guoxiang (Vice Chairman and Vice President); the Non-Executive Directors of the Company are Mr. Zhu Baoguo (Chairman), Mr. Tao Desheng (Vice Chairman), Mr. Qiu Qingfeng and Mr. Yu Xiong; and the Independent Non-Executive Directors of the Company are Mr. Bai Hua, Mr. Zheng Zhihua, Mr. Xie Yun, Mr. Tian Qiusheng and Mr. Wong Kam Wa.*

*\* For identification purpose only*