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李 氏 大 藥 廠

Lee's Pharmaceutical Holdings Limited

李 氏 大 藥 廠 控 股 有 限 公 司 *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 950)

VOLUNTARY ANNOUNCEMENT – UPDATE ON THE LICENSED-IN AND RESEARCH AND DEVELOPMENT OF AN ANTIHYPERTENSIVE DRUG

This announcement is made by the board of directors (the “**Board**”) of Lee’s Pharmaceutical Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) on a voluntary basis.

The Board of the Company is pleased to announce that, in December 2017, the Group had successfully entered into an agreement with Noden Pharma DAC (“**Noden**”), an Ireland-based company, pursuant to which the Group is awarded the exclusive agency and sales rights of Aliskiren tablet (trade name: Rasilez) in Mainland China, Hong Kong, Macau and Taiwan. Aliskiren is the only renin inhibitor drug in the world that is approved for marketing and the indication for Aliskiren is treatment of essential hypertension.

Aliskiren is an antihypertensive drug developed by Novartis International AG (“**Novartis**”) and was approved for marketing by the United States Food and Drug Administration (“**FDA**”) and the European Union in March 2007 under the trade names Rasilez® and Tekturna®, and was also approved for marketing by the China Food and Drug Administration (“**CFDA**”) in 2010. In July 2016, Noden successfully acquired Rasilez® and Tekturna® from Novartis. Aliskiren is still produced by Novartis. The Group has received confirmation from Noden that, the transfer of pharmaceutical formulation manufacturer(s) of its product(s) to Group’s manufacturing base in Nansha, Guangzhou would be completed in about two years. The aim of which is to achieve the localised production of imported drugs in response to China’s national policy.

Aliskiren is the first and only FDA-approved second-generation renin inhibitor that directly inhibits the renal enzyme renin, which causes increase in blood pressure, and is an orally effective, potent renin inhibitor. Aliskiren blocks the first step in the renin-angiotensin-aldosterone system (“**RAAS**”), which regulates blood pressure, and possesses the unique advantage of lowering plasma renin activity (“**PRA**”). It has a half-life of 40 hours and provides a 24-hour effective blood pressure control effect with once-daily dosing.

According to information by the National Health and Family Planning Commission of the People’s Republic of China in 2017, hypertension has become a major disease that seriously threatens people’s health. It is estimated that over 270 million people suffer from hypertension in China at present, and the direct economic burden caused by hypertension in 2013 reached RMB210.3 billion, accounting for 6.61% of the total health expenditure in China. Hypertension seriously affects people’s health and imposes severe disease burden. According to the Global Burden of Disease Study by the World Health Organization, hypertension has become the number two risk factor affecting global mortality.

According to Sinohealth CMH, with emphasis on chronic disease management in China, continuous enhancement in health knowledge among the general public and continuous improvement of medical insurance system, the antihypertensive drug market in China shows a sustained growth trend. In 2016, the market scale of antihypertensive drugs in China reached RMB80.9 billion, representing an increase of 13% over 2015.

The Group is fully integrated with solid infrastructures in drug development, clinical development, regulatory, manufacturing, sales and marketing in China with global perspectives and currently markets 14 products in the PRC. Lee’s Pharm focuses on several different areas such as cardiovascular and infectious diseases, dermatology, oncology, gynecology, ophthalmology and others. It has more than 50 products under different development stages stemming from both internal R&D as well as from the recent acquisition of licensing and distribution rights from various US, European and Japanese companies.

By order of the Board of
Lee’s Pharmaceutical Holdings Limited
Lee Siu Fong
Chairman

Hong Kong, 29 January 2018

** For identification purpose only*

As at the date of this announcement, Ms. Lee Siu Fong (Chairman), Ms. Leelalertsuphakun Wanee and Dr. Li Xiaoyi are executive directors of the Company, Mr. Simon Miles Ball is a non-executive director of the Company, Dr. Chan Yau Ching, Bob, Mr. Lam Yat Cheong and Dr. Tsim Wah Keung, Karl are independent non-executive directors of the Company.