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 RESEARCH AND DEVELOPMENT OF A NOVEL PERCUTANEOUS OPTICAL FIBRE CONTINUOUS GLUCOSE SENSOR

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, on 8 November 2018, Powder Pharmaceuticals, Incorporated ("**PPI**"), an associated company of the Group, presented the promising clinical trial results of its novel percutaneous optical fibre continuous glucose sensor at the 18th Annual Diabetes Technology Meeting 2018 in North Bethesda, Maryland, USA.

PPI's poster presentation showcased the promising clinical trial evidence that final prototype of FiberSense continuous glucose monitor (the "**CGM**") is safe and comparable in clinical accuracy to existing commercial CGM over 29-day home use in diabetes patients. This trial (NCT03008239) is a single centre prospective study conducted at the Prince of Wales Hospital, The Chinese University of Hong Kong which aimed to evaluate the effectiveness and safety of the final prototype of FiberSense CGM system for home use in patients with diabetes for 29 days. There were 8 Type 1 and 8 type 2 diabetes patients completed the study (2 drop-outs) with median age of 51 years, 8 subjects wore FiberSense CGM on the upper arm, 8 on the abdomen and the mean sensor wear time was 28.3 days. There were no serious device related adverse events and no severe sensor site reactions were observed.

FiberSense CGM is a real-time CGM system with a percutaneous fibre optic glucose sensor. Existing enzymic CGM systems have limited sensor life of up to 14 days as compared with up to 29 days with the FiberSense system. Fluorescence glucose-sensing methods show greater sensitivity to low concentrations of glucose according to Klonoff DC. J Diabetes Sci Technol. 2012 and reduced intrinsic sensor lag with rapid glucose change according to Muller AJ et al. J Diabetes Sci Technol. 2013. In a previous in clinic study of FiberSense CGM (Chow E et al. Diabetes Technology and Therapeutics. 2018; 20(S1)), the device showed comparable accuracy to commercial CGM during rapid glucose excursions when tested in 10 healthy subjects.

According to Mordor Intelligence, China has the highest market share in blood glucose monitoring market, owing to its high diabetes population. Checking blood glucose levels regularly and accurately with glucose monitoring devices is vital for proper diabetes diagnosis and treatment. International Diabetes Federation estimated that there were over 114 million cases of diabetes in China in 2017.

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

Hong Kong, 29 November 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.