

[Immediate Release]



Lee's Pharmaceutical Holdings Limited
李氏大藥廠控股有限公司

**Concludes Series B Fundraising of approximately US\$145 million for
Zhaoke Ophthalmology
Marks Big Step Towards Achieving Possible Spin-off and Separate Listing**

- *Completed Series B fundraising by issuing Series B Subscription Shares for a consideration of approximately US\$145 million for its associated company, Zhaoke Ophthalmology.*
- *The Subscription, which received positive market response, is jointly led by Hillhouse COFL and TPG Asia (in alphabetical order) and co-led by Loyal Valley Capital and other private equity firms, while the majority of shareholders of Series A Preferred Shares also participated in the Subscription.*
- *An affiliate company of the Shenzhen Stock Exchange listed Aier Eye Hospital Group Co., Ltd. and the OrbiMed group of entities are also among the Series B investor list.*
- *Assuming conversion in full of the Preferred Shares, Lee's Pharm stake in Zhaoke Ophthalmology Limited will be reduced to approximately 34.107% from approximately 48.539%.*
- *The funding will be used to support Zhaoke Ophthalmology for the development of its ophthalmic business and technologies and the future commercialization of more than 20 proprietary products and difficult-to-manufacture generics (ranged from pre-clinical to registration stage) for the Chinese and ASEAN markets.*

(11 October 2020, Hong Kong) Lee's Pharmaceutical Holdings Ltd. ("Lee's Pharm" or "the Company"; Hong Kong stock code: 0950.HK), a research-based biopharmaceutical company, is pleased to announce that following the close of trading on 9 October 2020 its associated company, Zhaoke Ophthalmology Limited ("Zhaoke Ophthalmology"), entered into a Subscription Agreement with Investors to issue an aggregate of 317,210 Series B Preferred Shares ("Series B Subscription Shares") for a total consideration of approximately US\$145 million to Investors (Collectively "Subscription"). Formerly known as China Ophthalmology Focus Limited, Zhaoke Ophthalmology is engaged mainly in the development, manufacturing

and marketing of ophthalmic drugs.

The Subscription, which received strong market response, is jointly led by Hillhouse COFL and TPG Asia (in alphabetical order) and co-led by Loyal Valley Capital and other private equity firms, while the majority of shareholders of Series A Preferred Shares of the Company have participated in the new Subscription, including Singapore-based Coyote Investment Pte, Ltd. and China-based Panacea Venture Healthcare Fund. The OrbiMed group of entities, an affiliate company of the Shenzhen Stock Exchange listed Aier Eye Hospital Group Co., Ltd. and Lee's Healthcare Fund are among the Series B investor list.

Assuming conversion in full of the Preferred Shares, Lee's Pharm's indirect interest – through Lee's International and Lee's Healthcare Fund – in Zhaoke Ophthalmology will be reduced to approximately 34.107% from approximately 48.539%.

Jefferies Hong Kong Limited is acting as the sole placement agent for the transaction.

Dr. Li Xiaoyi, Chief Executive Officer of Lee's Pharm, said, "We are thrilled to have completed this Series B fundraising with strong support from new and previous investors, which are among the most recognized and respected players in the biotech industry, to help pave Zhaoke Ophthalmology's path towards possible spin-off and a separate listing in the future. The funding will provide adequate resources for us to uphold our commitment to drug innovation and development in various ophthalmic indications, and enable significant growth and rapid scaling for Zhaoke Ophthalmology while it positions itself as one of the leading ophthalmic pharmaceutical companies addressing diseases which affect large patient populations in China."

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This press release is distributed by LBS Communications Consulting Limited.

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About Lee's Pharmaceutical Holdings Ltd. ("Lee's Pharm")

Lee's Pharm is a research-based and market-oriented biopharmaceutical company listed in Hong Kong with over 25 years' operation in China's pharmaceutical industry. It is fully

integrated with solid infrastructures in drug development, manufacturing, sales, and marketing. It has established extensive partnerships with over 20 international companies and currently has 23 products in the marketplace. Lee's Pharm focuses on several key disease areas, such as cardiovascular, woman health, pediatrics, rare diseases, oncology, gynecology, dermatology, obstetrics and urology, and has more than 40 products under different development stages stemming from both internal research and development as well as from the licensing of development, commercialization, and manufacturing rights from various United States, European and Japanese companies. Lee's Pharm has also involved in the business in ophthalmology through its investment in Zhaoke Ophthalmology Limited. The mission of Lee's Pharm is to become a successful biopharmaceutical group in Asia providing innovative products to fight diseases and improve health and quality of life.

For more information about Lee's Pharm, please visit: www.leespharm.com

About Zhaoke Ophthalmology Limited

Zhaoke Ophthalmology Limited and its subsidiaries specialise in the development, manufacturing and marketing of ophthalmic drugs. It has established a state-of-the-art development and production facility in Nansha, Guangzhou through its wholly owned subsidiary Zhaoke (Guangzhou) Ophthalmology Pharmaceutical Limited.

Its portfolio is diversified in having both small molecules and biologics, and having both novel and generic medicines, covering different ophthalmic indications from dry eye, glaucoma to wet age-related macular degeneration, diabetic retinopathy to corneal injuries and inflammatory diseases. One of its lead products, Cyclosporine A (CsA) Ophthalmic Gel has entered in its pivotal Phase III clinical trial that involves 39 clinical trial centers and a targeted enrolment of 644 patients in China.