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三生制药
3SBIO INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1530)

ANNOUNCEMENT IN RELATION TO DEALING IN SECURITIES DURING THE BLACK-OUT PERIOD

The Company was informed by Decade Sunshine Limited that Hillhouse Capital, an existing shareholder of the Company, through one of its investment funds, has agreed to facilitate the refinancing of a margin loan to Decade Sunshine by purchasing such loan. In conjunction with the refinancing, Decade Sunshine has the right to discharge, and Hillhouse Capital has the right to exchange, the outstanding loan for approximately 5% of the shares of the Company that are currently held by Decade Sunshine. Decade Sunshine will remain the largest shareholder of the Company following completion of such exchange (if such right is exercised) for the discharge of Decade Sunshine's outstanding margin loan.

This announcement is made by 3SBio Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to paragraph C.14 of Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 16 March 2020, the Company was informed by Decade Sunshine Limited (“**Decade Sunshine**”), a company that is controlled by Dr. Lou Jing, the Chairman and Chief Executive Officer of the Company (“**Dr. Lou**”), that the outstanding sum under an existing margin loan facility of Decade Sunshine (as the borrower) had become due and payable by 18 March 2020. In view of the repayment obligation and existing circumstances, Decade Sunshine entered into a consent and amendment agreement (the “**Agreement**”) on 18 March 2020 to refinance the outstanding sum under the margin loan, which is secured by a pledge over the shares in the Company held by Decade Sunshine. Hillhouse Capital Advisors, Ltd. (“**Hillhouse Capital**”), an existing shareholder of the Company, through one of its investment funds, has agreed to facilitate the refinancing of the margin loan to Decade Sunshine by purchasing such loan. In conjunction with the refinancing, Decade Sunshine has the right to discharge, and Hillhouse Capital has the right to exchange the outstanding loan for approximately 5% of the shares of the Company that are currently held by Decade Sunshine. Decade Sunshine will remain the largest shareholder of the Company following

completion of such exchange (if such right is exercised) for the discharge of Decade Sunshine's outstanding margin loan.

As at the date of this announcement and immediately after completion of the Agreement, the shareholding of Decade Sunshine in the Company remains the same, which is 599,367,030 shares, representing approximately 23.61% of the total issued share capital of the Company. Upon the exercise of the exchange right pursuant to the Agreement, assuming that the issued share capital and shareholding structure of the Company remain unchanged and the outstanding loan is settled in full by the delivery of its shares of the Company, Decade Sunshine's shareholding in the Company is expected to be reduced by approximately 5%, and Dr. Lou's interests (held through Decade Sunshine and other controlled entities together with other concert parties) in the Company are expected to represent approximately 27.24% of the total issued share capital of the Company.

Pursuant to paragraph A.3 of Appendix 10 to the Listing Rules, the directors of the Company (the “**Directors**”) are prohibited from dealing in any securities of the Company on any day on which its financial results are published and during the period of 60 days immediately preceding the publication date of the full-year results (the “**Black-out Period**”). As the Company has scheduled to publish its annual results for the year ended 31 December 2019 on 30 March 2020, the pledge of and grant of right over Decade Sunshine's shares in the Company fell within the Black-out Period.

The designated Director (Ms. Su Dongmei), after considering the pledge of and grant of certain rights over Decade Sunshine's shares in the Company under the Agreement, is satisfied that the dealing of shares of the Company by Dr. Lou during the Black-out Period occurred under exceptional circumstances within the meaning of paragraph C.14 of Appendix 10 to the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares and other securities of the Company.

The board of Directors of the Company (the “**Board**”) is of the view that the abovementioned dealing by Dr. Lou would not have any material impact on the management and operations of the Group.

By order of the Board
3SBio Inc.
Dr. LOU Jing
Chairman

Shenyang, the PRC
19 March 2020

As at the date of this announcement, the Directors are Dr. LOU Jing and Ms. SU Dongmei as executive Directors; Mr. HUANG Bin and Mr. TANG Ke as non-executive Directors; and Mr. PU Tianruo, Mr. David Ross PARKINSON and Dr. WONG Lap Yan as independent non-executive Directors.