

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Sihuan Pharmaceutical Holdings Group Ltd.**

**四環醫藥控股集團有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock code: 0460)**

# **VOLUNTARY ANNOUNCEMENT ACQUISITION OF THE EQUITY OF AN AMERICAN COMPANY GENESIS BIOSYSTEMS, INC.**

The board of directors (the “**Board**”) of Sihuan Pharmaceutical Holdings Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Sun Moral International (HK) Limited (“**Sun Moral International**”), a subsidiary of the Company, has entered into an acquisition agreement with the original shareholder (the “**Seller**”) of the American company Genesis Biosystems, Inc. (“**Genesis**”) on 28 December 2021, and both parties agreed that the entire equity of Genesis is to be acquired by Sun Moral International (the “**Acquisition**”).

Founded in 2001, the American company Genesis is a manufacturer of high-quality aesthetics and biomedical products, and mainly engages in the development, manufacture and distribution of aesthetic equipment, focusing on the microchannel system and fat collection products for beauty treatments, skincare as well as plastic surgery.

Genesis’ microchannel system products include Derma Genesis<sup>®</sup>, Dermacel<sup>®</sup>, DermaFrac<sup>™</sup> and other series of products, which can enter into the skin through a thin and tiny microneedle and create minute pore channel well-distributed on the skin via vacuum suction. The minor pinprick does not cause bleeding of the skin or side effects, with no convalescence needed.

Genesis' LipiVage<sup>®</sup> fat collection system is an innovative product with independent and ready-to-use two-step fat collecting, cleaning and transferal system, which is easy to operate and has mild effects. It is safe and convenient as an equipment with aseptic packaging, and is the improved version of the conventional negative pressure liposuction technology. In June 2021, Meiyen Laboratory Inc, an American subsidiary of the Group, has entered into a strategic cooperation with Genesis in relation to the product, and obtained the exclusive distribution right for it in Greater China and South Korea.

The Acquisition is expected to further expand the Group's pipelines for medical aesthetic products, consolidate the comprehensive layout in the non-surgical and surgical medical aesthetic fields and further accelerate the procedure for its enterprise development of the Group's medical aesthetic business from product distribution to an integrated platform.

Focusing on the high-growth and low penetration PRC medical aesthetics market, MeiYan KongJian, the Group's medical aesthetics platform, is dedicated to building a leading company featuring with full medical aesthetics product matrix by leveraging the rigour and innovation of pharmaceutical companies. The Group entered into an exclusive distribution agreement with Hugel in the South Korean in relation to botulinum toxin and hyaluronic acid product in 2014, which marked the layout forming in the medical aesthetics field. After years of development, the Group has not only formed a product matrix with tens of "self-development + BD" products, but also established a R&D center, the Meiyen Laboratory, in the U.S., and completed the construction of three manufacturing bases with high efficiency and low cost. As a "one-stop" new medical aesthetics platform focusing on the PRC market, MeiYan KongJian is estimated to achieve the strategic objective of building an international and leading medical aesthetics company through globalized layout and localized production, comprehensive and professional product matrix, strong R&D and registration capabilities as well as diversified marketing ability and comprehensive channel coverage.

Founded in 2001 and listed on the Main Board of The Stock Exchange of Hong Kong Limited in 2010, the Group is an international pharmaceutical company led and driven by both innovation and generic, with a leading independent production and research and development technology platform, a rich global product pipeline and a mature and excellent sales system. Focusing on high-growth therapeutic areas such as medical aesthetics, cardiovascular and cerebrovascular, digestive system, anti-infectives, oncology, psycho neurology and diabetes, the Group is building a leading medical aesthetics and biopharmaceutical leader in China with a two-wheel drive strategy of independent innovation and research and incubation to cultivate high-growth new businesses.

## Listing Rules Implications

As at the date of this announcement, to the best knowledge, information and belief of the Directors after making all reasonable enquiries, both the Seller and its ultimate beneficial owner(s) are third parties independent from the Company and its connected persons (as defined in the Listing Rules). Therefore, according to Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Acquisition does not constitute a connected transaction. Besides, as the highest applicable percentage ratio in respect of the Acquisition upon consolidated calculation according to Rule 14.07 of the Listing Rules is less than 5%, the Acquisition does not constitute a discloseable transaction under Chapter 14 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

By order of the Board  
**Sihuan Pharmaceutical Holdings Group Limited**  
**Dr. Che Fengsheng**  
*Chairman and Executive Director*

Hong Kong, 30 December 2021

*As at the date of this announcement, the executive directors of the Company are Dr. Che Fengsheng (Chairman), Dr. Guo Weicheng (Deputy Chairman and Chief Executive Officer), Dr. Zhang Jionglong, Mr. Choi Yiau Chong and Ms. Chen Yanling; and the independent non-executive directors of the Company are Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun.*