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Sincere Pharmaceutical Group Limited

先聲藥業集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 2096)

GRANT OF AWARDS AND ISSUE OF NEW SHARES UNDER THE 2021 RSU SCHEME

Reference is made to the announcement of the Company dated May 20, 2021 in relation to the adoption of the 2021 RSU Scheme, in which a summary of the principal terms of the 2021 RSU Scheme was set out.

The Board is pleased to announce that, on May 11, 2022, it has resolved to grant an aggregate of 6,810,000 RSUs, representing 6,810,000 Underlying Shares, to an aggregate of 21 Selected Persons, who are employees of the Group, under the 2021 RSU Scheme at nil consideration, subject to acceptance by the Grantees. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Grantees are third parties independent of the Company and are not connected persons of the Company as at the date of this announcement.

The grant of an aggregate of 6,810,000 RSUs shall be made (i) out of the 34,000 unvested Shares which are currently held under the trust and managed by the Tricor Trustee as part of the trust fund pursuant to the 2021 RSU Scheme; and (ii) by the issue and allotment of 6,776,000 New Shares to the Tricor Trustee pursuant to the General Mandate and in accordance with the terms of the 2021 RSU Scheme. 31,490,000 Shares have been issued and allotted under the General Mandate as at the date of this announcement. Pursuant to the 2021 RSU Scheme, the Company shall cause to be paid the subscription money for the New Shares from its internal resources, and the Tricor Trustee shall subscribe for the New Shares in cash.

The New Shares represent approximately 0.257% of the total number of Shares in issue as at the date of this announcement and approximately 0.256% of the total number of Shares in issue as enlarged by the issue and allotment of the New Shares (assuming there is no change in the issued share capital of the Company from the date of this announcement up to the issue and allotment date of the New Shares). The Shares underlying the RSUs granted to any one of the Grantees did not exceed 1% of the total number of Shares in issue as at the date of the Announcement. The New Shares, when issued and fully paid, will rank *pari passu* among themselves and with the Shares then in issue.

MARKET VALUE

Based on the closing price of HK\$8.270 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value of the Underlying Shares is HK\$56,318,700.

VESTING DATES

Subject to the terms and conditions of the 2021 RSU Scheme and the fulfilment of relevant conditions to the vesting of the Awards, the vesting schedule of the 6,810,000 RSUs granted to the Grantees is set out as below:

- (i) in relation to 1,500,000 RSUs granted: one-third of the RSUs shall vest on January 17, 2023, 2024 and 2025, respectively; and
- (ii) in relation of 5,310,000 RSUs granted: one-third of the RSUs shall vest on May 11, 2023, 2024 and 2025, respectively.

TRUSTEES

As at the date of this announcement, the Company has appointed the Futu Trustee to hold the Awards for the benefit of the Selected Persons who are connected persons of the Company and has appointed the Tricor Trustee to hold the Awards for the benefit of the Selected Persons who are not connected persons of the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Tricor Trustee is a third party independent of the Company and is not a connected person of the Company as at the date of this announcement. Pursuant to Rule 14A.12(1)(b) of the Listing Rules, Futu Trustee (in its capacity as trustee) is an associate of the Selected Persons who are connected persons of the Company and is therefore a connected person of the Company.

The Underlying Shares will be held by the Tricor Trustee for the benefit of the Grantees until the end of the relevant vesting period and be transferred to the Grantees upon satisfaction of the relevant vesting conditions as may be specified by the Board at the time of making such grant.

Pursuant to the 2021 RSU Scheme, neither the Grantee nor the Trustees may exercise any of the voting rights in respect of any Shares held by the Trustees for the purpose of the 2021 RSU Scheme. Upon the Shares being vested and transferred to the relevant Grantees, each Grantee shall be entitled to exercise all voting rights in respect of such Shares.

CONDITIONS PRECEDENT

The issue and allotment of the New Shares shall be subject to the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, such New Shares.

APPLICATION FOR LISTING

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the New Shares.

REASONS FOR AND BENEFITS OF THE GRANT OF AWARDS

The 2021 RSU Scheme forms part of the incentive schemes of the Group. The Board considers the grant of the Awards to the Grantees is (i) to recognize and reward the Grantees for their contribution to the Group, (ii) to attract best available personnel, and (iii) to provide additional incentives to the Grantees to remain with and further promote the success of the Group's business.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“2021 RSU Scheme”	the restricted share unit scheme of the Company approved by the Board on May 20, 2021 for adoption, in its present form or as amended from time to time in accordance with the rules of the scheme
“Award(s)”	an award of RSUs granted to a Selected Person pursuant to the 2021 RSU Scheme
“Board”	the board of Directors
“Company”	Simcere Pharmaceutical Group Limited (先聲藥業集團有限公司) (stock code: 2096), a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Futu Trustee”	one of the trustees of the 2021 RSU Scheme holding the Underlying Shares for the benefit of the Selected Persons who are connected persons of the Company, being FUTU TRUSTEE LIMITED
“General Mandate”	the general mandate granted to the Directors by the Shareholders to allot, issue and deal with up to 521,728,323 Shares pursuant to an ordinary resolution passed at the annual general meeting of the Company held on June 25, 2021

“Grantee(s)”	21 Selected Persons, to whom 6,810,000 RSUs were granted under the 2021 RSU Scheme on May 11, 2022
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Shares”	6,776,000 new Shares to be issued and allotted by the Company to the Tricor Trustee underlying the RSUs granted to the Grantees
“RSU(s)”	restricted share units may be granted under the 2021 RSU Scheme, each of which represents one underlying Share, and represent a conditional right granted to any Selected Person under the 2021 RSU Scheme to obtain the corresponding economic value of the underlying Shares, less any tax, stamp duty and other charges applicable, as determined by the Board in its absolute discretion
“Selected Person(s)”	person(s) eligible to receive RSUs under the 2021 RSU Scheme, who are existing or incoming employees, directors (whether executive or non-executive) or officers of the Company or any member of the Group, selected by the Board to be granted RSUs under the 2021 RSU Scheme at its discretion
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tricor Trustee”	one of the trustees of the 2021 RSU Scheme holding the Underlying Shares for the benefit of the Selected Persons who are not connected persons of the Company, being Tricor Trust (Hong Kong) Limited
“Trustee(s)”	the Futu Trustee and the Tricor Trustee
“Underlying Shares”	6,810,000 Shares underlying the Awards granted to the Grantees, including 34,000 unvested Shares currently held under the trust and managed by the Tricor Trustee as part of the trust fund pursuant to the 2021 RSU Scheme, and 6,776,000 New Shares to be issued and allotted by the Company to the Tricor Trustee

“%”

per cent

By order of the Board of
Sincere Pharmaceutical Group Limited
Mr. Ren Jinsheng
Chairman and Chief Executive Officer

Hong Kong, May 11, 2022

As at the date of this announcement, the Board comprises Mr. REN Jinsheng as the Chairman and executive Director, Mr. WAN Yushan and Mr. TANG Renhong as the executive Directors; Mr. ZHAO John Huan as the non-executive Director; and Mr. SONG Ruilin, Mr. WANG Jianguo and Mr. WANG Xinhua as the independent non-executive Directors.