

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.



上海醫藥集團股份有限公司
Shanghai Pharmaceuticals Holding Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code:02607)

GRANT OF RESERVED OPTIONS UNDER THE SHARE OPTION SCHEME

This announcement is made by Shanghai Pharmaceuticals Holding Co., Ltd. (the “**Company**”) pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

We refer to (i) the announcement of the Company dated 30 September 2019 in relation to the proposed adoption of the Share Option Scheme and the grant thereunder, (ii) the circular of the Company dated 1 November 2019 (the “**Circular**”) in relation to the Share Option Scheme, (iii) the poll results announcement of the Company dated 19 December 2019, (iv) the announcement of the Company dated 20 December 2019 in relation to the grant of share options under the Share Option Scheme, and (v) the supplemental announcement of the Company dated 22 August 2020 in relation to the Share Option Scheme. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the announcements mentioned above and the Circular.

GRANT OF RESERVED OPTIONS UNDER THE SHARE OPTION SCHEME

According to the Share Option Scheme, a total of 25,680,000 share options have been initially granted by the Company on 19 December 2019, which were subsequently adjusted to 25,600,000 on 10 February 2020 due to the resignation of employees and the number of reserved options under the Share Option Scheme is 2,740,900 (the “**Reserved Options**”).

The Board hereby announces that the conditions of the grant of the Reserved Options under the Share Option Scheme have been fulfilled. On 15 December 2020, the Board (including the independent non-executive Directors) has approved the grant of an aggregate of 2,730,000 Reserved Options to 28 Participants pursuant to the authorization by the Shareholders at the EGM. Directors who are the Participants, i.e. Mr. CHO Man, Mr. LI Yongzhong and Mr. SHEN Bo, have abstained from voting when the Board reviews and approves the grant of the Reserved Options. The remaining 10,900 Reserved Options with which no Participants was determined shall lapse by 19 December 2020.

Details of the Reserved Options granted are set out as follows.

Date of Grant:	15 December 2020
Exercise Price:	20.16 RMB per A share
Number of Share Options Granted:	2,730,000
Closing price of A Shares on the Date of Grant:	19.00 RMB per A share
Validity period of the Reserved Options:	The Validity Period of the Reserved Options granted under the Share Option Scheme commences from the registration date of the grant, which shall not exceed 60 months.

PARTICIPANTS AND DISTRIBUTION OF RESERVED OPTIONS

The distribution details of the Reserved Options of the Participant are set out as follows.

Name	Position(s)	Number of the Reserved Options granted ('0,000)	Percentage to total number of the Reserved Options (%)	Percentage to total issued share capital of the Company at present (%)
Middle level management and core employees of the Company (28 persons in total)		273	99.602%	0.096%

In accordance with Rule 17.04(1) of the Listing Rules, the grant of Reserved Options to each of the above persons has been approved by the independent non-executive Directors.

Save as disclosed in this announcement, none of the Participants granted with the Reserved Options is a Director, chief executive or substantial shareholder of the Company or any of their respective associates (as defined under the Listing Rules) as at the date of this announcement.

By order of the Board
Shanghai Pharmaceuticals Holding Co., Ltd.*
ZHOU Jun
Chairman

Shanghai, the PRC, 16 December 2020

As at the date of this announcement, the executive Directors are Mr. CHO Man, Mr. LI Yongzhong and Mr. SHEN Bo; the non-executive Directors are Mr. ZHOU Jun, Mr. GE Dawei and Ms. LI An; and the independent non-executive Directors are Mr. CAI Jiangnan, Mr. HONG Liang, Mr. GU Zhaoyang and Mr. Manson FOK.

**For identification purpose only*