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**JIANGXI JIANGZHONG  
PHARMACEUTICAL COMMERCIAL  
OPERATION CO., LTD.\***

江西江中醫藥商業運營有限責任公司  
*(A limited liability company established in the  
People's Republic of China)*

**JIANGXI PHARMACEUTICAL  
INVESTMENT CO., LIMITED**  
江西醫藥投資有限公司  
*(Incorporated in Hong Kong with limited liability)*



**CHARMACY PHARMACEUTICAL CO., LTD.**  
創美藥業股份有限公司

*(A joint stock limited liability company established in  
the People's Republic of China)*  
(Stock code: 2289)

## JOINT ANNOUNCEMENT

- (1) RESULTS AND SETTLEMENT OF THE OFFER;
- (2) PUBLIC FLOAT OF THE COMPANY; AND
- (3) RESUMPTION OF TRADING

**Financial Adviser to the Offeror**



**Guotai Junan Capital Limited**

References are made to (i) the composite offer and response document jointly issued by Jiangzhong Yishang, the Offeror and the Company dated 20 January 2023 (the “**Composite Document**”) and (ii) the announcement jointly issued by Jiangzhong Yishang, the Offeror and the Company dated 10 February 2023 in respect of, among other things, the close of the Offer (the “**Close of Offer Announcement**”). Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

## RESULTS AND SETTLEMENT OF THE OFFER

As disclosed in the Close of Offer Announcement, the Offeror and the Company noted that there appears to be an issue in relation to the discrepancy in the level of acceptances having been tendered.

Upon noting the discrepancy in the level of acceptance having been tendered, the Offeror immediately commenced investigation into the matter and discovered that one of the Non-Accepting Shareholders might have accepted the Offer. On 15 February 2023, the relevant Non-Accepting Shareholder, who has mistakenly tendered acceptance to the Offer, has instructed his broker to cancel the said acceptance to the Offer (the “**Cancellation**”) and the Offeror has accepted the Cancellation.

Before the Cancellation and as at 4:00 p.m. on 10 February 2023, the acceptances had been received in respect of a total of 14,844,500 Offer Shares. As a result, after the Cancellation, acceptances have been received in respect of a total of 11,356,500 Offer Shares under the Offer (the “**Acceptance Shares**”), representing approximately 10.52% of the entire issued share capital of the Company as at the date of this joint announcement.

Remittances in respect of the cash consideration (after deducting the seller’s Hong Kong ad valorem stamp duty) payable for the Offer Shares tendered under the Offer have been or will be posted (as the case may be) to the Independent Shareholder(s) accepting the Offer by ordinary post at their own risk as soon as possible, but in any event within seven Business Days following the date of receipt by the Registrar of all relevant documents (receipt of which renders such acceptance complete and valid), in accordance with the Takeovers Code. The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer is Tuesday, 21 February 2023.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the date of this joint announcement, the issued share capital of the Company was RMB108,000,000 divided into 108,000,000 ordinary Shares. The Company does not have any outstanding options, warrants, derivatives or convertible rights affecting the Shares.

Immediately after Completion and before the commencement of the Offer Period, the Offeror’s Concert Group (including the Transferor) beneficially owned an aggregate of 73,300,000 Shares, representing 67.87% of the entire issued share capital of the Company as at the date of this joint announcement.

Immediately after the close of the Offer and as at the date of this announcement, subject to completion of the transfer to the Offeror of the Acceptance Shares, the Offeror’s Concert Group (including the Transferor) beneficially own an aggregate of 84,656,500 Shares, representing 78.38% of the entire issued share capital of the Company as at the date of this joint announcement.

Save as disclosed above, none of the members of the Offeror’s Concert Group (i) held, controlled or directed any Shares and rights over Shares immediately before the commencement of the Offer Period; (ii) has acquired or agreed to acquire any Shares or rights over Shares during the Offer Period up to and including the date of this joint announcement; nor (iii) has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period up to and including the date of this joint announcement.

Set out below is the shareholding structure of the Company (i) immediately after Completion and before the commencement of the Offer Period; and (ii) immediately after the close of the Offer and as at the date of this joint announcement (subject to the completion of the transfer to the Offeror of the Acceptance Shares):

	Immediately after Completion and before the commencement of the Offer Period		Immediately after the close of the Offer (subject to the completion of the transfer to the Offeror of the Acceptance Shares) and as at the date of this joint announcement	
	<i>No. of Shares</i>	<i>Approximate % of issued Shares</i>	<i>No. of Shares</i>	<i>Approximate % of issued Shares</i>
<b>The Offeror's Concert Group (including the Transferor)</b>				
Jiangzhong Yishang and the Offeror	38,770,000	35.90 <i>(Note)</i>	50,126,500	46.41
The Transferor	34,530,000	31.97	34,530,000	31.97
<b>The Offeror's Concert Group (including the Transferor)</b>	<b>73,300,000</b>	<b>67.87</b>	<b>84,656,500</b>	<b>78.38</b>
<b>Non-Accepting Shares held by Non-Accepting Shareholders</b>	<b>20,571,000</b>	<b>19.05</b>	<b>20,571,000</b>	<b>19.05</b>
<b>Other Shareholders</b>	<b>14,129,000</b>	<b>13.08</b>	<b>2,772,500</b>	<b>2.57</b>
<b>Total</b>	<b>108,000,000</b>	<b>100.00</b>	<b>108,000,000</b>	<b>100.00</b>

*Note:*

Immediately after Completion and before the commencement of the Offer Period, (i) Jiangzhong Yishang and the Offeror owned 38,770,000 Shares, representing 35.90% of the entire issued share capital of the Company as at the date of this joint announcement; and (ii) Jiangzhong Yishang and the Offeror have acquired or controlled approximately 39.60% of the voting rights of the Company (comprising the voting rights of Shares it held immediately prior to the Completion, the Sale Shares and the Entrusted Shares, which represent approximately 26.90%, 9.00% and 3.70% of the entire issued share capital of the Company respectively as at the date of this joint announcement).

## **PUBLIC FLOAT OF THE COMPANY**

Immediately after the close of the Offer (subject to the completion of the transfer to the Offeror of the Acceptance Shares) and as at the date of this joint announcement, 23,343,500 Shares, representing approximately 21.62% of the entire issued share capital of the Company will be held by the public (as defined under the Listing Rules). Accordingly, the minimum public float requirement of 25% under Rule 8.08(1)(a) of the Listing Rules will not be satisfied upon the completion of the transfer to the Offeror of the Acceptance Shares. An application will be made to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules.

The sole director of the Offeror had undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. Announcement(s) will be made in this regard as and when appropriate in compliance with the Listing Rules.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 13 February 2023 pending the release of this joint announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 17 February 2023.

By Order of the board of directors of  
**Jiangxi Jiangzhong  
Pharmaceutical Commercial  
Operation Co., Ltd.\*  
Yan Jingbin**  
*Director and Legal Representative*

By Order of the Board of  
**Charmacy Pharmaceutical Co.,  
Ltd.  
Yao Chuanglong**  
*Chairman*

By Order of the board of directors  
of  
**Jiangxi Pharmaceutical  
Investment Co., Limited  
Yan Jingbin**  
*Director*

Shantou, the PRC, 16 February 2023

*As at the date of this joint announcement, the directors of Jiangzhong Yishang are Mr. Liu Weiquan, Mr. Yan Jingbin, Mr. Wu Xiaohong, Mr. Huang Xingzhi, Mr. Chen Yong, Mr. Lin Xingyao, Ms. Luo Yi, Mr. Cheng Wang and Mr. Xu Zhengqing.*

*As at the date of this joint announcement, the executive Directors are Mr. Yao Chuanglong, Ms. Zheng Yuyan and Ms. Zhang Hanzi; the non-executive Directors are Mr. Li Weisheng, Mr. Yan Jingbin and Ms. Fu Zheng; and the independent non-executive Directors are Mr. Wan Chi Wai Anthony, Mr. Zhou Tao and Mr. Guan Jian (also known as Guan Suzhe).*

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Yan Jingbin.*

*The sole director of the Offeror and the directors of Jiangzhong Yishang jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Transferor, the Directors and the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror's Concert Group (for this purpose, excluding the Transferor)) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the sole director of the Offeror and the directors of Jiangzhong Yishang) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*

*In the case of inconsistency, the English version of this joint announcement shall prevail over the Chinese version.*

*\* For identification purpose only*