# CSPC Pharmaceutical Announces 2015 Annual Results

## Profit attributable to shareholders increased 31.3% to HK$1,665 million

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***Innovative Drug Business Maintained Strong Growth Momentum***
***Common Generic Drug Business Continued to Improve***
***Bulk Drug Business Maintained Leading Position in the Industry***

HONG KONG, 21 March 2016 – **CSPC Pharmaceutical Group Limited** (HKEx: 1093) ("CSPC Pharmaceutical" or the "Group"), a leading pharmaceutical company in China, is pleased to announce its annual results for the year ended 31 December 2015 (the "Year"). The Group recorded sales revenue of approximately HK$11,394 million in 2015, representing an increase of 4.0% over the previous year. Profit attributable to shareholders was approximately HK$1,665 million, up 31.3% from a year ago. The Board recommends the payment of a final dividend of HK11 cents per share.

During the Year, the Group's innovative drug business maintained strong growth momentum, with further expansion of its market share and a stronger presence and coverage in the high-end market. With continuous efforts in academic-based promotion, the innovative drug business maintained a rapid growth in sales during the Year. Sales revenue from this segment reached approximately HK$3,775 million, representing a 35.6% growth over last year.

In respect of common generic drug business, the Group continued to improve the product mix and further enhanced its sales strategies and building sales channels. In particular, the Group's Chinese medicine soft capsule product series, high-end antibiotics and products for chronic diseases have achieved sound growth in 2015. Overall, the common generic drugs business has achieved stable growth in 2015, generating sales revenue of HK$4,019 million, representing an increase of 2.2% over last year.

As to bulk drug business, the antibiotics business recorded significant growth in profit. The Group has implemented a number of measures such as technology upgrades, reinforcement of internal management, energy saving and consumption reduction, in order to decrease its production costs during the Year. For vitamin C business, the Group continued to maintain its absolute competitiveness in the industry by leveraging on its advantages in scale, quality and production costs. The Group managed to reduce the loss of the vitamin C business through reduction in production costs. Both the total sales volume and export volume of the Group's vitamin C products were top-ranked in the industry this Year. For caffeine business, both the market demand and product price of caffeine remained stable in 2015 and the business continued to contribute stable profit to the Group.

Currently, the Group has over 170 products under research and development. Among these products, 15 are Class I new drugs and 50 are Class III new drugs. During the Year, the Group has submitted applications for 29 drugs to the China Food and Drug Administration ("CFDA") (of

which, 7 are production applications and 22 are clinical trial applications), and had obtained 4 production approvals and 25 clinical trial approvals in China.

At present, the Group has 28 products pending for production approval by the CFDA; 16 products undergoing bioequivalence study or clinical trial (including 7 Class 1 new drugs); and 29 products granted clinical trial approvals. Of these 73 products pending approval or under development, 13 are oncology drugs, 8 are diabetes drugs, 9 are cardio-cerebrovascular drugs, 12 are neurology drugs, 15 are anti-infective drugs and 16 others.

With regard to overseas registrations, the Group has submitted 2 Abbreviated New Drug Application ("ANDA") in the U.S. during the Year. The Group's product "benzonatate soft capsules" and "donepezil hydrochloride tablets" (change of production site) have received ANDA approvals by the U.S. FDA in the Year. Currently, the Group has a total of 10 drugs applying for ANDA in the U.S. Meanwhile, the protocol for phase II clinical trial application of "butylphthalide soft capsule" has been approved by the U.S. FDA and has started subject screening. The Group has also submitted the Investigational New Drug (IND) application for "mitoxantrone hydrochloride liposome injection" to the U.S. FDA in March 2016.

Looking forward, **Mr. Cai Dong Chen, Chairman and CEO of CSPC Pharmaceutical**, commented, "Looking ahead, with the further ageing of China's population, a trend of urbanization nationwide, and rising income levels in China, the demand for pharmaceutical products in China is expected to further increase over the coming decade. We expect our innovative drug business to achieve rapid growth while the common generic drug and bulk drug business will continue to achieve steady growth. We will continue our efforts in the research and development of new drugs and keep abreast of new policies in the pharmaceutical industry, with the objective of ensuring sustainable growth of the Group."

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**About CSPC Pharmaceutical Group Limited**

CSPC Pharmaceutical Group Limited is a leading pharmaceutical group in China. The Company has been listed on the Main Board of the Hong Kong Stock Exchange since 1994. CSPC Pharmaceutical is a leading player of innovative and generic drugs in China. Blockbuster innovative products include "NBP" series, "Oulaining" series, "Xuanning" series, "Duomeisu" and "Jinyouli". CSPC Pharmaceutical is also a major manufacturer of bulk drugs, with principal products that include vitamin C, antibiotics and caffeine. The production facilities of CSPC Pharmaceutical are mainly located in Shijiazhuang City, Hebei Province, China. For more information, please visit its website at http://www.cspc.com.hk.