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If you have sold or transferred all your shares in SSY Group Limited (the “Company”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission.

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石四藥集團有限公司
SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2005)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED CHANGE OF AUDITOR,
PROPOSED GRANT OF SHARE OPTIONS,
REFRESHMENT OF SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the annual general meeting (“AGM”) of the Company to be held at 2:00 p.m. on 27 May 2016 at Rooms 4902-03, 49th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong is set out on pages 20 to 25 of this circular. A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so desire.

26 April 2016

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 2:00 p.m. on 27 May 2016 at Rooms 4902-03, 49th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
“AGM Notice”	the notice convening the AGM as set out on pages 20 to 25 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	SSY Group Limited (石四藥集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“core connected person(s)”	has the same meaning as defined in the Listing Rules
“Date of Grant”	15 April 2016
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders who are not Mr. Qu, his respective associates or core connected persons of the Company
“KPMG”	KPMG, Certified Public Accountants
“Latest Practicable Date”	21 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Qu”	Mr. Qu Jiguang (曲繼廣先生), the Chairman of the Board, chief executive officer (CEO), an executive Director and a controlling shareholder of the Company
“PRC”	the People’s Republic of China
“PwC”	PricewaterhouseCoopers, Certified Public Accountants
“Proposed Grant of Share Options”	the conditional grant of the Share Options to Mr. Qu to subscribe for a total of 122,000,000 Shares
“Scheme Mandate Limit”	the 10% limit on grant of share options by the Company under the Share Option Scheme and any other share option scheme(s) of the Company
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share Option Scheme”	the share option scheme adopted on 20 September 2012
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs

LETTER FROM THE BOARD



石四藥集團有限公司
SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2005)

Executive Directors:

Mr. Qu Jiguang (*Chairman*)

Mr. Wang Xianjun

Mr. Su Xuejun

*Head office and principal place of
business in Hong Kong:*

Room 4902-03, 49th Floor,

Central Plaza,

18 Harbour Road, Wanchai

Hong Kong

Independent Non-executive Directors:

Mr. Wang Yibing

Mr. Leung Chong Shun

Mr. Chow Kwok Wai

Registered Office:

Cricket Square

Hutchins Drive, P.O. Box 2681 GT

Grand Cayman KY1-1111

Cayman Islands

26 April 2016

To the Shareholders and, for information only, holders of share options

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED CHANGE OF AUDITOR,
PROPOSED GRANT OF SHARE OPTIONS,
REFRESHMENT OF SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to:

LETTER FROM THE BOARD

- (i) the grant of the Issue Mandate and the Repurchase Mandate to the Directors to issue new Shares and repurchase Shares;
- (ii) the re-election of retiring Directors;
- (iii) the proposed change of auditor;
- (iv) the Proposed Grant of Share Options; and
- (v) the refreshment of the Scheme Mandate Limit.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The Company proposes to obtain shareholders' approval as ordinary resolutions at the AGM, to grant to the Directors a general mandate to allot, issue and deal with the Shares up to a maximum of 20% of the aggregate number of Shares in issue as at the date of passing of the resolution as set out in Resolution 7A of the AGM Notice ("Issue Mandate") and a general mandate to repurchase Shares up to a maximum of 10% of the aggregate number of Shares in issue as at the date of passing of the resolution as set out in Resolution 7B of the AGM Notice ("Repurchase Mandate"). Subject to the passing of the proposed ordinary resolution approving the Issue Mandate and assuming no further Shares will be issued or allotted by the Company prior to the AGM, the exercise of the Issue Mandate in full would result in the issue of up to a maximum of 565,921,877 Shares, representing 20% of the total number of Shares in issue as at the date of passing of the resolution. In addition, the resolution authorising the extension of the Issue Mandate to the Directors to issue Shares to include the aggregate number of such Shares (if any) repurchased under the Repurchase Mandate (up to a maximum of 10% of the aggregate number of Shares in issue as at the date of passing the resolution) as set out in Resolution 7C of the AGM Notice will be proposed at the AGM.

With respect to Resolution 7A of the AGM Notice regarding the Issue Mandate, the Directors wish to state that they have no immediate plans to issue and allot any new Shares. Approval is being sought from the Shareholders as a general mandate for the purposes of the Listing Rules.

With respect to the Resolution 7B of the AGM Notice regarding the Repurchase Mandate, the Directors wish to state that they have no immediate plans to repurchase any existing Shares.

LETTER FROM THE BOARD

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against Resolution 7B to be proposed at the AGM in relation to the proposed Repurchase Mandate is set out in Appendix I to this circular.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board consisted of 6 Directors, namely Mr. Qu Jiguang, Mr. Wang Xianjun, Mr. Su Xuejun, Mr. Wang Yibing, Mr. Leung Chong Shun and Mr. Chow Kwok Wai.

Pursuant to Article 87 of the Company's articles of association, Mr. Qu Jiguang and Mr. Wang Yibing will retire from office by rotation in the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Biographical details of the retiring Directors to be re-elected are set out in Appendix II to this circular.

PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement of the Company dated 21 April 2016, whereby the Board resolved to propose at the AGM the appointment of KPMG as auditor of the Company until the conclusion of the next annual general meeting. PwC will retire as auditor of the Company at the conclusion of the AGM.

PwC has been the Company's auditor since 2005. After careful consideration and taking into account of the auditor's remuneration, the Board considers that it would be in the interests of the Company and the Shareholders to propose the appointment of KPMG as the auditor of the Company.

The Board and the audit committee of the Company have confirmed that there is no disagreement between PwC and the Company. The Board and the audit committee of the Company have also confirmed that, save as disclosed above, there are no other matters in respect of the change of auditor that need to be brought to the attention of Shareholders.

LETTER FROM THE BOARD

PROPOSED GRANT OF SHARE OPTIONS

Introduction

Reference is made to the announcement of the Company dated 15 April 2016, whereby the Board announced that the Company has conditionally granted 122,000,000 share options to Mr. Qu Jiguang who is the Chairman of the Board, chief executive officer (CEO), an executive director and also a controlling shareholder of the Company under the Share Option Scheme.

Details of the Proposed Grant of Share Options are as follows:

Date of grant:	15 April 2016
Exercise price of Share Options granted:	HK\$2.58 to subscribe for one Share, representing the highest of (i) the closing price of HK\$2.58 per Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of Grant; (ii) the average closing price of HK\$2.504 per Share as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of Grant; and (iii) the nominal value of a Share
Number of Share Options granted:	122,000,000 share options (each share option shall entitle the holder of the share option to subscribe for one Share)
Validity period of the Share Options:	Five years commencing from 15 April 2016

Listing rule requirement

Pursuant to Rule 17.04(1) of the Listing Rules and the Share Option Scheme, the grant of options by the Company to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the options concerned). The grant of the share options to Mr. Qu has been reviewed and approved by the independent non-executive Directors of the Company on 15 April 2016.

LETTER FROM THE BOARD

Further, pursuant to Rule 17.04(1) of the Listing Rules and the Share Option Scheme, any grant of options to a substantial shareholder or an independent non-executive Director, or any of their respective associates, which would result in the shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) under the Share Option Scheme or any other schemes of the Group to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the shares of the Company in issue and (ii) having an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5 million, such further grant of options must be separately approved by shareholders in general meeting.

In addition, pursuant to Rule 17.03(4) of the Listing Rules and the Share Option Scheme, where any further grant of Options to the grantees would result in the shares of the Company issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the relevant class of shares of the Company in issue, such further grant must be separately approved by shareholders in general meeting.

As at the Latest Practicable Date, other than the share options conditionally granted to Mr. Qu for the subscription of 122,000,000 Shares (representing approximately 4.31% of all Shares in issue as at the Latest Practicable Date), Mr. Qu was also interested in 880,102,000 Shares (representing approximately 31.10% of all Shares in issue as at the Latest Practicable Date).

As the total number of Shares issued and to be issued upon exercise of the share options conditionally granted to Mr. Qu would in a 12-month period exceed 1% of the Shares in issue, the grant of such share option to and acceptance thereof by Mr. Qu is conditional upon the approval by the Independent Shareholders in general meeting with Mr. Qu and his associate, if any, abstaining from voting and such grant shall not take effect or be exercisable until such approval is obtained.

Reasons for grant of share options to Mr. Qu

Mr. Qu is a key figure to the Group and has devoted his services to the Group and the pharmaceutical industry for over 30 years, a treasured contribution for the growth of the intravenous infusion solution business of the Group. Now serving as the Chairman of the Board and chief executive officer of the Company, Mr. Qu continues to guide the Board in strategic planning and business development as well as leading the management implementing the business strategies of the Group.

LETTER FROM THE BOARD

The Company and the independent non-executive Directors consider the Proposed Grant of Share Options is in the interest of the Company and the Shareholders as a whole and is fair and reasonable, in recognition of Mr. Qu's long term devotion to the Group. This is consistent with the remuneration policy of the Company for the position held by Mr. Qu. The Company would also consider that the grant of share option was a sufficient incentive for Mr. Qu's continuing effort in the Group.

Scheme mandate utilisation

The maximum number of Shares which may be issued upon exercise of all share options granted and to be granted under the Share Option Scheme is 10% of the Shares in issue (being the Scheme Mandate Limit of the Share Option Scheme) as at the date of adoption of the Share Option Scheme on 20 September 2012.

Prior to the Proposed Grant of Share Options, the Company has granted a total of 122,000,000 share options to two executive Directors of the Company and other management staff of the Group on 19 October 2015 which remains outstanding as at the Latest Practicable Date and representing approximately 4.997% of all the Shares in issue as at the date of adoption of the Share Option Scheme (being 2,441,604,488 Shares). Hence, there are sufficient limit for the grant of 122,000,000 share options, which representing approximately 4.997% of all the Shares in issue as at the date of adoption of the Share Option Scheme, to Mr. Qu under the Scheme Mandate Limit of the Share Option Scheme.

A separate resolution is proposed in the AGM to refresh the Scheme Mandate Limit of the Share Option Scheme (as detailed in the next section).

REFRESHMENT OF SCHEME MANDATE LIMIT

The Share Option Scheme was adopted by the Company on 20 September 2012. In accordance with the Listing Rules and the Share Option Scheme, the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company must not in aggregate exceed 244,160,448 Shares, representing 10% of the Shares in issue as at the date of adoption of the Share Option Scheme (being 2,441,604,488 Shares). The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting in accordance with the rules of the Share Option Scheme.

On 19 October 2015, the Company granted a total of 122,000,000 share options to two executive Directors of the Company and other management staff of the Group. Furthermore, on 15 April 2016, the Company conditionally granted 122,000,000 share

LETTER FROM THE BOARD

options to Mr. Qu which is conditional upon the approval by the Independent Shareholders in the AGM (as detailed in the previous section). The Scheme Mandate Limit has not been refreshed since the adoption of the Share Option Scheme. Accordingly, 160,448 share options remained ungranted as at the Latest Practicable Date, which represent approximately 0.006% of the maximum number of shares that can be granted and approximately 0.006% of the issued share capital of the Company.

Save as aforesaid, no share options were granted, lapsed, exercised or cancelled during the period from the date of adoption of the Share Option Scheme to the Latest Practicable Date, and there is no other share options granted under the Share Option Scheme and any other schemes of the Company as at the Latest Practicable Date.

Pursuant to the Listing Rules and the Share Option Scheme, share options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or exercised Options) will not be counted for purpose of calculating the Scheme Mandate Limit as refreshed. The Directors consider that such refreshment of the Scheme Mandate Limit of the Share Option Scheme is in the interest of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company had an aggregate of 2,829,609,385 Shares in issue and assuming no additional Shares will be issued or repurchased from the Latest Practicable Date up to the date of the AGM, it is expected that, upon the approval of the refreshment of the Scheme Mandate Limit of the Share Option Scheme at the AGM, the Directors will be authorised to grant Options to subscribe up to 282,960,938 Shares, representing 10% of the sum of the number of Shares in issue of 2,829,609,385 Shares as at the Latest Practicable Date. The Board proposes to refresh the Scheme Mandate Limit in the AGM so as to enable the Company to grant further share options to participants.

The Directors believe that more share options to be granted under the Share Option Scheme can provide more incentive and rewards to participants for their contribution and continuing efforts to promote the interest of the Company and enhance the value of the Shares.

The limit on the number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company must not exceed 30% of the Shares in issue from time to time. No share options may be granted under the Share Option Scheme and any other schemes of the Company if this will result in the limit being exceeded.

LETTER FROM THE BOARD

The proposed refreshment of the Scheme Mandate Limit is conditional upon:

1. the passing of the ordinary resolution by the Shareholders at the AGM to approve the proposed refreshment of the Scheme Mandate Limit of the Share Option Scheme; and
2. the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the refreshed Scheme Mandate Limit.

An application will be made to the Stock Exchange for the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of the share options to be granted under the refreshed Scheme Mandate Limit.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 25 May 2016 to Friday, 27 May 2016, both dates inclusive, during which period, no transfer of Shares will be registered. In order to qualify to attend and vote at the forthcoming annual general meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m., Tuesday, 24 May 2016.

AGM

The AGM Notice is set out on pages 20 to 25 of this circular. At the AGM, resolutions will be proposed to Shareholders to consider and, if thought fit, approve, among other things, the resolutions proposed in this circular. A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so desire.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The Chairman of the meeting will therefore demand a poll for every resolution put to the vote at the AGM. The result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded or required and the poll results will be published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.ssygroup.com.hk).

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors believe that: (i) the Repurchase Mandate, the Issue Mandate and the extension of the Issue Mandate; (ii) the re-election of retiring Directors; (iii) the proposed change of auditor; (iv) the Proposed Grant of Share Options; and (v) the refreshment of the Scheme Mandate Limit are in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of all the resolutions set out in the AGM Notice.

Yours faithfully,
For and on behalf of the Board
SSY Group Limited
Qu Jiguang
Chairman

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 2,829,609,385 Shares in issue. Subject to the passing of the resolution granting the proposed mandate to repurchase its Shares and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 282,960,938 Shares, representing 10% of the issued share capital of the Company as at the date of passing of the resolution, during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES OF THE COMPANY

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

Any repurchase of Shares of the Company made pursuant to the proposed Repurchase Mandate would be made out of funds which are legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. Under the law of the Cayman Islands, repurchases by the Company may only be made out of the funds of the Company which are legally available for such purpose or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, subject to the statutory test of solvency, out of capital. The premium, if any, payable on the repurchase, shall be provided for out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the statutory test of solvency, out of capital.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders and in circumstances where they consider that the Shares can be repurchased on terms favourable to the Company. The Directors do not propose to exercise the mandate to repurchase Shares to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICE

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous 12 months prior to the Latest Practicable Date:

	Price Per Share	
	Highest (HK\$)	Lowest (HK\$)
2015		
April	4.002*	3.096*
May	3.150	2.700
June	3.120	2.750
July	3.070	1.960
August	2.380	1.800
September	2.300	1.800
October	2.000	1.690
November	2.080	1.910
December	2.090	1.850
2016		
January	2.050	1.880
February	2.500	1.990
March	2.540	2.250
April (up to the Latest Practicable Date)	2.820	2.350

* adjusted for the special dividend paid during the year 2015

GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates currently intend to sell Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders at the AGM. The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the proposed Repurchase Mandate in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

No connected persons of the Company, as defined in the Listing Rules, has notified the Company that he has a present intention to sell Shares held by them to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the following Shareholders are interested in 5% or more of the issued Shares as recorded in the register of interests and short positions of the Company under section 336 of the SFO:

Name of Shareholder	Long/short position	Number of shares held	Approximate percentage of Shareholding as at the Latest Practicable Date
Mr. Qu Jiguang	Long	880,102,000 <i>(Note 1)</i>	31.10%
	Long	122,000,000 <i>(Note 2)</i>	4.31%
China Pharmaceutical Company Limited <i>(Note 1)</i>	Long	733,856,000	25.93%
Sichuan Kelun Pharmaceutical Co., Ltd (四川科倫藥業股份有限公司) <i>(Note 3)</i>	Long	309,608,000	10.94%
Kelun International Development Co., Ltd (科倫國際發展有限公司) <i>(Note 3)</i>	Long	309,608,000	10.94%
UBS Group AG	Long	178,849,603	6.32%
	Short	3,748,792	0.13%

Notes:

1. Among the 880,102,000 shares, 733,856,000 shares were registered in the name of and beneficially owned by China Pharmaceutical Company Limited (“CPCL”). CPCL is held as to 72.93% by Mr. Qu Jiguang and as to 27.07% by 39 other shareholders. By virtue of Part XV of the SFO, Mr. Qu Jiguang is deemed to be interested in the shares held by CPCL. In the event that the above Shareholders did not dispose of their Shares and if the Repurchase Mandate was exercised in full, Mr. Qu Jiguang’s shareholding would have an annual increment of over 2% of the issued share capital of the Company and he would be required to make a offer under the Takeovers Code. However, the Directors, including Mr. Qu Jiguang, have no present intention to exercise the mandate granted under the Repurchase Mandate to an extent as may result in any mandatory offer being made under the Takeovers Code or may result in less than 25% of the issued share capital of the Company being held by the public.
2. These shares represent the underlying interest in shares of the Company pursuant to the share options conditionally granted on 15 April 2016.
3. These shares were registered in the name of and beneficially owned by Kelun International Development Co., Ltd (科倫國際發展有限公司). Kelun International Development Co., Ltd (科倫國際發展有限公司) is held as to 100% by Sichuan Kelun Pharmaceutical Co., Ltd (四川科倫藥業股份有限公司).

SHARE REPURCHASE MADE BY THE COMPANY

During the previous six months from the Latest Practicable Date, which is the period from 22 October 2015 to 21 April 2016, the Company repurchased a total of 14,396,000 Shares at an aggregate consideration of HK\$27,983,060 on the Stock Exchange. Details of the repurchases of such Shares are as follows:

Date of the purchases	Total number of the ordinary shares purchased	Highest price paid per share (HK\$)	Lowest price paid per share (HK\$)	Aggregate consideration (HK\$)
22 October 2015	1,000,000	1.95	1.93	1,940,720
23 October 2015	2,000,000	1.93	1.88	3,797,320
29 October 2015	1,224,000	1.93	1.91	2,354,340
30 October 2015	4,250,000	1.96	1.93	8,271,420
2 November 2015	2,682,000	1.96	1.92	5,209,720
3 November 2015	3,240,000	2.00	1.96	6,409,540
	<u>14,396,000</u>			<u>27,983,060</u>

Save as disclosed herein, there was no repurchase by the Company, or any of its subsidiaries, of any listed securities of the Company during the last six months from the Latest Practicable Date.

LIST OF DIRECTORS FOR RE-ELECTION

The biographical and other details of the Directors standing for re-election at the AGM are set out below.

Mr. Qu Jiguang (曲繼廣), aged 61, the chairman of the Company, is responsible for the strategic planning, business development and overall management of the Group. Mr. Qu is also the chief executive officer of the Company who is responsible to lead the management implementing the business strategies of the Group. Mr. Qu joined Shijiazhuang No. 1 Pharmaceutical Factory (“No. 1 Pharma”) as deputy factory manager in 1995. He later became a director and the vice general manager of Shijiazhuang Pharmaceutical Group. From December 2004, Mr. Qu has been the chairman of New Orient Investments Pharmaceutical Holding (Hong Kong) Limited, a wholly owned subsidiary of the Company (“New Orient”), the chairman and general manager of Shijiazhuang No. 4 Pharma, a wholly owned subsidiary of New Orient, the chairman of China Pharmaceutical Company Limited, a controlling shareholder of the Company (“CPCL”) and the chairman of CMP Group Limited (“CMP”). Mr. Qu was an independent non-executive Director of the Company and was an executive director of China Pharmaceutical Group Limited, a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), from February 2001 to September 2004. Mr. Qu graduated from Tianjin Finance College with a postgraduate degree in Finance in 1999. He is also an economist accredited by The Ministry of Personnel of China. Mr. Qu has over 30 years of experience in pharmaceutical industry. He is currently Representative of Hebei Provincial People’s Congress (河北省人大代表), Vice-Chairman of China Pharmaceutical Industry Association (中國化學製藥協會副會長), Vice-Chairman of Hebei Provincial Federation of Industry and Commerce (河北省工商聯副主席), Vice-Chairman of Hebei Provincial Association of Enterprise (河北省企業聯合會副會長), Vice-Chairman of Hebei Pharmaceutical Industry Association (河北省醫藥行業協會副會長).

APPENDIX II DETAILS OF RETIRING DIRECTORS TO BE RE-ELECTED

As at the Latest Practicable Date, Mr. Qu's interest in the securities of the Company is as follows:

Name of Shareholder	Long/short position	Number of shares held	Approximate percentage of Shareholding as at the Latest Practicable Date
Mr. Qu Jiguang	Long	880,102,000 (<i>Note a</i>)	31.10%
	Long	122,000,000 (<i>Note b</i>)	4.31%

Notes:

- (a) Among the 880,102,000 shares, 733,856,000 shares were registered in the name of and beneficially owned by China Pharmaceutical Company Limited ("CPCL"). CPCL is held as to 72.93% by Mr. Qu Jiguang and as to 27.07% by 39 other shareholders. By virtue of Part XV of the SFO, Mr. Qu Jiguang is deemed to be interested in the shares held by CPCL.
- (b) These shares represent the underlying interest in shares of the Company pursuant to the share options conditionally granted on 15 April 2016.

Save as disclosed above, Mr. Qu did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date. He entered into an appointment agreement with the Company for a term of three years commencing from 6 August 2015 and his current basic annual salary is HK\$6,000,000. His emoluments are determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities within the Group and his contribution to the Group. Mr. Qu has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Qu is not aware of any matters that need to be brought to the attention of the holders of securities of the Company.

Mr. Wang Yibing (王亦兵), aged 53, an independent non-executive Director. He graduated from Shenyang Pharmaceutical University, majored in pharmacy (瀋陽藥科大學藥學). He is currently the executive vicepresident of Hebei Province Pharmaceutical Industrial Chamber of Commerce (河北省醫藥行業協會). Mr. Wang joined Hebei Provincial Pharmaceutical Research Centre (河北省藥物研究所) in July 1983 and became supervisor in research centre of pharmacodynamics, research centre of preparations, the pharmaceutical factory and scientific research management centre successively. In 1991, Mr. Wang joined the General Economics Division of Hebei Provincial Administration of Medicine (河北省醫

藥管理局綜合經濟處) as vice supervisor and was promoted to supervisor and the deputy director successively. From April 2000 to July 2005, he was the Director of Division of Drug Registration and Division of Drug Safety and Inspection of Hebei Food and Drug Administration (河北省食品藥品監督管理局藥品註冊處及藥品安全監管處). Mr. Wang possesses over 30 years' experience in pharmaceutical research, production and industry regulation, is familiar with pharmaceutical laws and regulations and drug inspection procedures. He has profound exposure in the areas of pharmaceutical research, production, circulation and application, while comprehends and provides insights into the overall situation and trend of development of the pharmaceutical industry at both the provincial and state levels.

Save as disclosed above, Mr. Wang did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date. He entered into an appointment agreement with the Company for a term of three years commencing from 26 July 2013 and his current basic annual salary is HK\$180,000. His emoluments are determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities within the Group and his contribution to the Group. Mr. Wang has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Wang is not aware of any matters that need to be brought to the attention of the holders of securities of the Company.

For all of the above Directors, save as disclosed above, there is no information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



石四藥集團有限公司 SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2005)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Meeting**”) of SSY Group Limited (the “**Company**”) will be held at 2:00 p.m. on 27 May 2016 at Rooms 4902-03, 49th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2015.
2.
 - A. To re-elect Mr. Qu Jiguang as an executive Director of the Company.
 - B. To re-elect Mr. Wang Yibing as an independent non-executive Director of the Company.
3. To authorise the board of Directors of the Company (the “**Directors**”) to fix the Directors’ remuneration.

As special business to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

4. “**THAT** KPMG be and is hereby appointed as the auditor of the Company to hold office until the conclusion of the next annual general meeting, and the board of Directors be and is hereby authorized to determine their remuneration.”

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT** the grant of option to Mr. Qu Jiguang (the “**Grantee**”), who is the chairman of the Board, chief executive officer, executive director and controlling shareholder of the Company, for him to subscribe for an aggregate of 122,000,000 ordinary shares of HK\$0.02 each in the share capital of the Company at the exercise price of HK\$2.58 per Share (the principal terms and conditions of such grant are set out in the circular of the Company dated 26 April 2016) under and pursuant to the share option scheme of the Company adopted on 20 September 2012 (the “**Share Option Scheme**”) be and is hereby approved, **THAT** any director of the Company other than the Grantee, be and is hereby authorised for and on behalf of the Company to sign, seal, execute, perfect, perform and deliver all such instruments, documents and deeds, and do all such acts, matters and things and take all such steps as he may in his discretion consider necessary, desirable or expedient to give full effect to the grant and issue of such Share Options and **THAT** any and all such acts be and are hereby approved, confirmed and ratified.”
6. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of and permission to deal in the shares to be issued upon exercise of any options to be granted under the Refreshed Limit (as defined below) pursuant to the Share Option Scheme, the existing limit on the grant of options under the Share Option Scheme and any other schemes of the Company be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued upon exercise of any options to be granted under the Share Option Scheme and any other schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and any other schemes of the Company) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution (“**Refreshed Limit**”) and that the Directors of the Company be and are hereby authorised to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company under the Refreshed Limit pursuant to the exercise of such options.”
7. A. “**THAT**:
- (a) subject to paragraph (c) of this Resolution, and pursuant to the Rules Governing the Listing of Securities on the Stock Exchange, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company (the “**Shares**”) or securities convertible into Shares, options, warrants or similar rights

NOTICE OF ANNUAL GENERAL MEETING

to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval given in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed 20 per cent of the aggregate number of Shares in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

B. “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own Shares on the Stock Exchange subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate number of Shares in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting.”

- C. “**THAT**, conditional upon the passing of the Resolutions 7A and 7B in the notice convening the Meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional Shares of the Company pursuant to Resolution 7A as set out in the notice convening the Meeting be and is hereby extended by the addition thereto an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to Resolution 7B as set out in the notice convening the Meeting provided that such amount shall not exceed 10 per cent of the aggregate number of Shares in issue as at the date of the passing of this Resolution.”

By order of the Board
Chow Hing Yeung
Company Secretary

Hong Kong, 26 April 2016

Notes:

1. Any member entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be delivered to the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Wednesday, 25 May 2016 to Friday, 27 May 2016, both dates inclusive, during which period, no transfer of Shares will be registered. In order to qualify to attend and vote at the forthcoming annual general meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by no later than 4:30 p.m., Tuesday, 24 May 2016.
4. Where there are joint holders of any Share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

NOTICE OF ANNUAL GENERAL MEETING

5. An explanatory statement regarding the general mandate of the repurchase of Shares sought in the above Resolution 7B is set out in Appendix I to the circular of the Company dated 26 April 2016.
6. Please refer to Appendix II to the circular of the Company dated 26 April 2016 for the details of the retiring Directors subject to re-election at the Meeting.
7. As at the date of this notice, the executive Directors are Mr. Qu Jiguang, Mr. Wang Xianjun, Mr. Su Xuejun, and the independent non-executive Directors are Mr. Wang Yibing, Mr. Leung Chong Shun and Mr. Chow Kwok Wai.