SG Issuer
(Incorporated in Luxembourg with limited liability)

ANNOUNCEMENT

Proposed adjustments to the terms and conditions of:

(i) 10,000,000 European Style Cash Settled Long Certificates expiring on 8 December 2022 relating to the ordinary shares of CSPC Pharmaceutical Group Limited with a Daily Leverage of 5x (DLC SOCGEN5XLONG CSPC); and

(ii) 10,000,000 European Style Cash Settled Short Certificates expiring on 8 December 2022 relating to the ordinary shares of CSPC Pharmaceutical Group Limited with a Daily Leverage of -5x (DLC SOCGEN5XSHORT CSPC),

(collectively, the "Certificates").

In conjunction with the proposed (i) bonus issue (the "**Bonus Issue**") of new ordinary shares (the "**Bonus Shares**") in the capital of CSPC Pharmaceutical Group Limited (the "**Company**") on the basis of one (1) Bonus Share for every five (5) existing ordinary shares (the "**Shares**") in the capital of the Company held by shareholders whose names appear in the Company's register of members on 23 June 2020 and (ii) declaration of a final dividend (the "**Final Dividend**") of HK$0.20 per Share for the year ended 31 December 2019 approved at the Company's Annual General Meeting held on 15 June 2020, adjustments will be made to the Certificates in accordance with Condition 6 of the Certificates.

Terms defined or construed in the Supplemental Listing Documents dated 10 December 2019 issued by SG Issuer in relation to the Certificates bear the same meaning and construction in this announcement.

The Adjustments

Rfactor$_t$

$Rfactor_t = \left[1 - \frac{Dividend}{SpotCum}\right] / (1 + BonusShares)$ = *0.82290363*

Where:

BonusShares	=	0.2, being the number of the Bonus Shares received by a holder of existing Shares for each Share held prior to the Bonus Issue.
SpotCum	=	HK$15.9800, being the closing price of one Share on The Stock Exchange of Hong Kong ("**HKEX**") on the last Underlying Stock Business Day immediately preceding the Ex-Date (which is 17 June 2020), which will only be available after the market close of the HKEX on 17 June 2020.
Dividend	=	HK$0.20, being the Final Dividend per Share.
t	=	18 June 2020 i.e. the Ex-Date.

Therefore, for the purpose of the relevant calculations under the terms and conditions of the Certificates on 18 June 2020, the adjusted closing price of one Share on HKEX on 17 June 2020 will be:

S_{t-1} * *Rfactor*$_t$ = *SpotCum* * *Rfactor*$_t$ = *HK$13.1500*

The above adjustments will take effect on the day on which the Shares commence trading on an ex-Bonus Issue and ex-Final Dividend basis, which is expected to be 18 June 2020.

Issued by
SG Issuer

17 June 2020