

RNS Miscellaneous

Lansen's seventh share reduction plan of Starry

CATHAY INTERNATIONAL HOLDINGS LD

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("Cathay" or the "Company")

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Hong Kong, 3 November 2020 - Cathay International Holdings Ltd. (LSE: CTI.L), an operator and investor in the growing healthcare sector in the People's Republic of China (the "PRC"), announces that, Lansen Pharmaceutical Holdings Limited ("Lansen", incorporated in the Cayman Islands) (HKEX: 503), the Company's 52.83% owned subsidiary, has made a regulatory announcement in accordance with the requirements of its Hong Kong listing.

Lansen has today announced its seventh share reduction plan (the "Seventh Share Reduction Plan") in relation to its holding in the shares of Zhejiang Starry Pharmaceutical Co., Ltd. ("Starry") ("Lansen Announcement"). The full text of the Lansen Announcement can be found at <https://www1.hkexnews.hk/listedco/listconews/sehk/2020/1103/2020110301485.pdf> and will also be made available at the Announcements & Notices section of Lansen's homepage at <http://holding.lansen.com.cn/en/newslst.aspx?NodeCode=10002000700050005>

Before proceeding with a disposal, Lansen is required by the rules of the China Securities Regulatory Commission to announce a share reduction plan. Lansen has made such announcements previously on 9 March 2017, 19 September 2017, 3 April 2018, 20 February 2019, 11 September 2019 and 9 April 2020 in relation to the First Share Reduction Plan, Second Share Reduction Plan, Third Share Reduction Plan, Fourth Share Reduction Plan, Fifth Share Reduction Plan and Six Share Reduction Plan respectively.

- (1) Lansen Investments (Hong Kong) Limited ("Lansen HK") and Full Keen Limited ("Full Keen") disposed an aggregate of 4,175,000 Starry Shares under the First Share Reduction Plan and the details of such disposal are set out in the announcement and circular dated 15 March 2017 and 28 April 2017 respectively;
- (2) Lansen HK did not dispose of any Starry Share under the Second Share Reduction Plan;
- (3) Lansen HK disposed an aggregate of 2,400,000 Starry Shares under the Third Share Reduction Plan and the details of such disposal are set out in the announcement dated 6 June 2018; and
- (4) Lansen HK and Full Keen disposed an aggregate of 5,278,000 Starry Shares under the Fourth Share Reduction Plan and the details of such disposal are set out in the announcements dated 14 May 2019, 11 June 2019 and 10 September 2019.
- (5) Lansen HK disposed an aggregate of 4,451,028 Starry Shares under the Fifth Share Reduction Plan and the details of such disposal are set out in the announcements dated 18 September 2019, 25 September 2019 and 12 December 2019.
- (6) Lansen HK disposed an aggregate of 4,832,705 Starry Shares under the Sixth Share Reduction Plan and the details of such disposal are set out in the announcements dated 17 July 2020, 22 July 2020, 23 July 2020 and 2 November 2020.

The Lansen Announcement reports that on 3 November 2020 Lansen HK notified Starry about the seventh share reduction plan (the "Seventh Share Reduction Plan") in relation to its holding in the Starry Shares and the key points are:

- Maximum number of Starry Shares that can be disposed: not more than 4,569,655 Starry Shares for Lansen HK, representing not more than 1.87% of the total number of issued shares in Starry;
- Share reduction period: a period of six month commencing on the third trading day of the Shanghai Stock Exchange immediately following 4 November 2020, the date of Starry's announcement of the Seventh Share Reduction Plan (or a period of six month commencing on the 15th trading day of the Shanghai Stock Exchange

immediately following 4 November 2020 for reduction of Starry Shares through centralised competitive bidding on the Shanghai Stock Exchange);

- Methods of share reduction for Lansen HK: through (a) block trade sales or (b) centralised competitive bidding system on the Shanghai Stock Exchange; provided that total amount of share reduction through block trade sales and the centralised competitive bidding system in any consecutive ninety days period shall not exceed 2% and 1% of the total number of issued shares in Starry respectively.
- Share reduction price: with reference to the prevailing trading price of Starry Shares on the Shanghai Stock Exchange.

The notification of the Seventh Share Reduction Plan was given by Lansen HK to Starry in accordance with the relevant rules and regulations of the China Securities Regulatory Commission, governing share reduction by shareholders.

As at the date of this announcement, no definitive or legally binding agreement relating to disposal of Starry Shares has been entered into by the Company or Lansen. Lansen will comply with the applicable requirements and relevant rules and regulations in relation to further disposal of Starry.

A general and conditional mandate to dispose all or part of the Starry Shares during certain mandate period in accordance with certain terms and conditions (the "Starry Disposal Mandate") were approved by Shareholders of the Company on 15 May 2020 and by Lansen's shareholders on 13 July 2020. Any disposal under the Seventh Share Reduction Plan will be made in accordance with the terms and conditions of the Starry Disposal Mandate. Lansen will comply with the applicable requirements under the Listing Rules and other relevant rules and regulations and make further announcement(s) in this regard as and when appropriate.

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About Cathay

Cathay International Holdings Limited (LSE: CTI.L) is a main market listed investment holding company and an operator and investor in the healthcare sector in the People's Republic of China (the "PRC"). The Company and its subsidiaries (collectively the "Group") aim to leverage on investment opportunities in the growing domestic demand for high quality healthcare products in the PRC and build portfolio companies into market sector leaders with competitive edge. Cathay has already demonstrated a track record of identifying investment opportunities in this area including: Lansen, a leading specialty pharmaceutical company focused on rheumatology and dermatology in the PRC; Haizi, a company engaged in the manufacture, marketing and sale of inositol and its by-products; Natural Dailyhealth, a company engaged in production and sales of plant extracts for use as key active ingredients in healthcare products; and Botai, a company engaged in collagen products.

The Group employs approximately 1,300 people across the PRC, including over 20 specialist corporate and business development staff based at the holding company's offices in Hong Kong and Shenzhen. Cathay also has a hotel investment. For more information please visit the Company's website: www.cathay-intl.com.hk.

About Lansen

Lansen, whose shares are listed on the main board of the Hong Kong Stock Exchange, is a 52.83% owned subsidiary of Cathay. Lansen is engaged in the manufacture, distribution and development of specialty prescription drugs for treatment of autoimmune disorder in rheumatology and dermatology. Lansen has established an extensive distribution network, covering more than 1,500 hospitals in four municipalities, 22 provinces and cities in the PRC. For more information please visit the Lansen's website: www.lansen.com.cn/en/index.aspx.

About Starry

Starry, whose shares are listed on the Shanghai Stock Exchange (stock code: 603520). Starry is specialised in the research and development, manufacture, marketing and sales of bulk pharmaceuticals and intermediates. One of the core products of Starry is iohexol for X-CT non-ionic contrast agents. Starry is the largest generic drug manufacturer of iohexol's active pharmaceutical ingredients in the PRC and is experienced in the production management and quality control of bulk pharmaceuticals. For more information please visit Starry's website: www.starrypharm.com

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