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Jacobson Pharma Corporation Limited

雅各臣科研製藥有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

Stock Code : 2633

VOLUNTARY ANNOUNCEMENT ACQUISITION OF ASSETS FROM LING CHI MEDICINE COMPANY (HONG KONG) LIMITED

This is a voluntary announcement made by Jacobson Pharma Corporation Limited (the “**Company**”) to inform its shareholders (the “**Shareholders**”) and potential investors about the acquisition of assets from Ling Chi Medicine Company (Hong Kong) Limited.

THE ASSET PURCHASE AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”) is pleased to announce that on 18 January 2017 (after trading hours), Jacobson Group Management Limited (the “**Purchaser**”), a wholly-owned subsidiary of the Company, entered into an asset purchase agreement (the “**Asset Purchase Agreement**”) with Ling Chi Medicine Company (Hong Kong) Limited (the “**Vendor**”), pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to acquire substantially all of the assets including, but not limited to, product registrations, intellectual property rights (including trademarks) and goodwill in connection with the business carried out by the Vendor in accordance with the terms therein (the “**Acquisition**”).

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Vendor is a manufacturer of proprietary medicines under the popular household brands – Saplingtan (「十靈丹」), Shiling Oil (「十靈油」) and Col-gan Tablet (「傷風克」). These brand names have been enjoying a high brand awareness amongst the Chinese consumers in Hong Kong, China, and various overseas markets.

The Acquisition reinforces the strategy of the Company and its subsidiaries (collectively, the “**Group**”) to acquire brands and businesses that bring about a sound strategic fit to its long term business development. These newly acquired household brands form a complementary addition to the Group’s current portfolio creating an expandable proprietary medicine platform that renders the Group well-positioned to enhance its geographical reach amongst the key strategic markets in Asia Pacific. Further, this strategic Acquisition accelerates the growth momentum of the Group’s proprietary medicine business and facilitates its penetration into China and other Asian-Pacific markets. It also helps create a high level of synergies through leveraging of marketing and distribution resources.

Accordingly, the Directors are of the view that the terms of the Asset Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As all of the applicable percentage ratios of the Acquisition does not exceed 5%, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange.

By Order of the Board
Jacobson Pharma Corporation Limited
Wong Wai Ming
Company Secretary

Hong Kong, 18 January 2017

As at the date of this announcement, the Board comprises Mr. Sum Kwong Yip, Derek (also as Chief Executive Officer), Mr. Lo Chun Bun and Mr. Yim Chun Leung as executive Directors, Professor Lam Sing Kwong, Simon as non-executive Director, and Professor Chow Hee Lum, Albert, Dr. Lam Kwing Tong, Alan and Mr. Young Chun Man, Kenneth as independent non-executive Directors.