

[For Immediate Release]



Jacobson Pharma Completes Issue of HK\$500 Million of Convertible Notes to Dragons 615 Limited and HH InRe JP, Ltd.

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To Accelerate Growth Momentum by Strategic Acquisitions or Alliances

(Hong Kong, 3 October 2017) **Jacobson Pharma Corporation Limited** (“**Jacobson Pharma**” or the “**Group**”; **Stock Code: 2633**), a leading company engaged in the research, development, production, marketing and sale of generic drugs and proprietary medicines, is pleased to announce the completion of issue of the Convertible Notes in a principal amount of HK\$500 million to two subscribers namely, Dragons 615 Limited (“**Dragons**”), a wholly-owned limited liability company of DCP China Credit Fund I, L.P. (“**DCP Fund**”) and HH InRe JP, Ltd. (“**HH JP**”), an indirectly wholly-owned limited liability company of Hillhouse InRe Fund, L.P. (“**Hillhouse**”).

Dragons and HH JP have agreed to subscribe for the Convertible Notes with a principal amount of HK\$280 million and HK\$220 million respectively. The initial Conversion Price for the 3-year 3.5% Convertible Notes to be due in 2020 is HK\$2.50 per share. The net proceeds of HK\$490 million from the subscriptions are to be used for funding potential mergers and acquisitions as well as forming strategic alliances in the Asia Pacific region. The proceeds will also be used for supporting in-licensing and direct investment on technologically-oriented bio-pharmaceutical projects.

Mr. Derek Sum, Chairman and Chief Executive Officer of Jacobson Pharma, said, “The trust and support of these two reputable funds is a vote of confidence in our proven business strategies and the forward growth prospects of Jacobson Pharma. With a strong war chest, the management team would gear up its pace of growth by contemplating an expansion of scope and geographical reach of the businesses via strategic acquisitions and alliances with industry peers.”

Dragons is wholly-owned by DCP Fund, which in turn is funded by renowned international institutional investors and a Singapore sovereign fund which is a wholly-owned subsidiary of Temasek Holdings. The general partner of DCP Fund is Dignari Capital Partners GP Limited and the sole investment advisor of DCP Fund is Dignari Capital Partners (HK) Limited.

HH JP is indirectly wholly-owned by Hillhouse InRe Fund, L.P. The general partner of Hillhouse InRe Fund, L.P. is Hillhouse InRe Fund GP, Ltd. and its sole investment manager is Hillhouse Capital Management, Ltd.

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About Jacobson Pharma Corporation Limited (雅各臣科研製藥有限公司 ; Stock Code: 2633)

Jacobson Pharma is the largest generic drug company in Hong Kong with over 30% share of the total generic drug market for each year since 2012. The Group's proprietary medicines, notably being Po Chai Pills (「保濟丸」), Tong Tai Chung Woodlok Oil (「唐太宗活絡油」), Ho Chai Kung Tji Thung San (「何濟公止痛退熱散」), Contractubex Scar Gel (「秀碧除疤膏」) Doan's Ointment (「兜安氏藥膏」), Flying Eagle Wood Lok Medicated Oil (「飛鷹活絡油」), Saplingtan (「十靈丹」), Shiling Oil (「十靈油」) and Col-gan Tablet (「傷風克」) have been widely recognized by the market. Jacobson Pharma has been a constituent stock of MSCI Hong Kong Micro Cap Index since 1 June 2017. For more details about Jacobson Pharma, please visit the Group's website: <http://www.jacobsonpharma.com>

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