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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

### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO UPDATE ON THE USE OF PROCEEDS**

Reference is made to (i) the annual report of Jacobson Pharma Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 March 2019 (the “**2019 Annual Report**”), (ii) the interim report of the Company for the six months ended 30 September 2019 (“**2020 Interim Report**”) and (iii) the annual report of the Company for the year ended 31 March 2020 (“**2020 Annual Report**”). Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the 2020 Annual Report.

Pursuant to Rules 11(8) and 11A of Appendix 16 of the Listing Rules, the board of directors (the “**Board**”) of the Company would like to provide additional information to the paragraph headed “**Use of Proceeds**” in the “**Management Discussion and Analysis**” section in the 2019 Annual Report, 2020 Interim Report and the 2020 Annual Report, respectively in respect of the expected timeline of the use of proceeds.

#### **USE OF IPO PROCEEDS**

Net proceeds of HK\$695,540,000 were raised from the initial public offering of the Company (included proceeds from the over-allotment option exercised by the underwriter amounted to HK\$98,438,000 and after the deduction of underwriting fees, commissions and expenses paid by the Company in connection with the initial public offering) (the “**IPO Proceeds**”). As at the date of this announcement, there has not been any change to the intended use of the IPO Proceeds or the allocated amount as disclosed in the prospectus dated 8 September 2016 issued by the Company (the “**Prospectus**”).

The table below sets forth the status of utilisation of the IPO Proceeds as at 31 March 2019, 30 September 2019 and 31 March 2020, respectively, and the expected timeline of the use of the unutilised IPO Proceeds:

Use of IPO Proceeds as set out in the Prospectus	As at 31 March 2019		As at 30 September 2019		As at 31 March 2020		Expected timeline for utilising the remaining IPO Proceeds
	Proposed application HK\$'000	Unutilised amount HK\$'000	Actual utilised amount HK\$'000	Unutilised amount HK\$'000	Actual utilised amount HK\$'000	Unutilised amount HK\$'000	
Acquisitions – Expansion of businesses in Generic Drugs and Proprietary Medicines	139,108	0	139,108	0	139,108	0	N/A
Acquisitions – Enhancement of distribution network	104,331	77,405	26,926	77,405	90,288	14,043	On or before 31 March 2022
Acquisitions – Intangible assets	69,554	554	69,554	0	69,554	0	N/A
Capital investments – Upgrading of manufacturing plants and facilities	113,197	0	113,197	0	113,197	0	N/A
Capital investments – Two specific automated production facilities	12,000	0	12,000	0	12,000	0	N/A
Expansion of bioequivalence clinical studies	94,331	57,547	41,705	52,626	56,510	37,821	On or before 31 March 2023
Establishment of a new joint R&D centre with HKIB	10,000	7,291	3,307	6,693	3,920	6,080	On or before 31 March 2023
Marketing and advertising	83,465	24,803	70,848	12,617	83,465	0	N/A
General working capital	69,554	0	69,554	0	69,554	0	N/A
<b>Total</b>	<b>695,540</b>	<b>167,600</b>	<b>546,199</b>	<b>149,341</b>	<b>637,596</b>	<b>57,944</b>	

The Group intends to apply the remaining IPO Proceeds according to the plans disclosed in the Prospectus as shown above.

## USE OF PROCEEDS FROM ISSUANCE OF NEW SHARES

Upon completion of the subscription of 200,000,000 shares by Yunnan Baiyao at the subscription price of HK\$2.06 per share pursuant to a subscription agreement dated 14 August 2018, net proceeds of HK\$411,658,000 were raised from such issuance of shares to Yunnan Baiyao (after the deduction of all related fees and expenses payable in connection with the issuance of shares of HK\$342,000) (the “**Subscription Proceeds**”). As at the date of this announcement, there has not been any change to the intended use of the Subscription Proceeds or the allocated amount as disclosed in the announcement of the Company dated 14 August 2018 (the “**Subscription Announcement**”).

The table below sets forth the status of utilisation of the Subscription Proceeds as at 31 March 2019, 30 September 2019 and 31 March 2020, respectively, and the expected timeline of the use of the unutilised Subscription proceeds:

Use of Subscription Proceeds as set out in the Subscription Announcement	As at 31 March 2019		As at 30 September 2019		As at 31 March 2020	
	Proposed application HK\$'000	Unutilised amount HK\$'000	Actual utilised amount HK\$'000	Unutilised amount HK\$'000	Actual utilised amount HK\$'000	Unutilised amount HK\$'000
Mergers and acquisitions, strategic alliances and in-licensing of products	205,829	198,879	26,780	179,049	127,251	78,578 (Note)
Acquisition, expansion and upgrading of operating facilities	164,663	0	164,663	0	164,663	0
General working capital	41,166	0	41,166	0	41,166	0
<b>Total</b>	<b>411,658</b>	<b>198,879</b>	<b>232,609</b>	<b>179,049</b>	<b>333,080</b>	<b>78,578</b>

*Note:* In accordance with the intentions disclosed in the Subscription Announcement, the remaining Subscription Proceeds in the amount of approximately HK\$78,578,000 has been fully utilised in April 2020 to purchase the entire issued equity interests in a property holding company whereas its underlying properties are situated in Hong Kong and had been occupied by an indirect wholly-owned subsidiary of the Company for operation of a pharmaceutical manufacturing factory.

The expected timeline of full utilisation of the IPO Proceeds is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of market conditions.

Should there be any material change in the intended use of the IPO Proceeds, the Company will make appropriate announcement(s) in due course.

The supplementary information provided in this announcement does not affect other information contained in the 2019 Annual Report, the 2020 Interim Report and the 2020 Annual Report, respectively. Save as disclosed above, the contents of the aforementioned reports remain unchanged.

By Order of the Board  
**Jacobson Pharma Corporation Limited**  
**Yim Chun Leung**  
*Executive Director and Company Secretary*

Hong Kong, 21 August 2020

*As at the date of this announcement, the Board comprises Mr. Sum Kwong Yip, Derek (also as Chairman and Chief Executive Officer), Mr. Yim Chun Leung (also as Company Secretary) and Ms. Pun Yue Wai as executive Directors, Professor Lam Sing Kwong, Simon as non-executive Director, Dr. Lam Kwong Tong, Alan, Mr. Young Chun Man, Kenneth and Professor Wong Chi Kei, Ian as independent non-executive Directors.*