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CHINA MEDICAL SYSTEM HOLDINGS LIMITED
康哲藥業控股有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 867)

Voluntary and Business Update Announcement

CMS and Sun Pharma Extend Collaboration for the Generic Medicines

China Medical System Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that the Group through its wholly-owned subsidiary signed a License Agreement (the “**Agreement**”) with Sun Pharmaceutical Industries Ltd. (“**Sun Pharma**”) for seven generic products (the “**Products**”) on 16 August 2019. According to the Agreement, the Group through its wholly-owned subsidiary will gain an exclusive license with the right to grant sublicenses under Sun Pharma’s intellectual property rights and regulatory documentation to develop and commercialize the Products in mainland China (the “**Territory**”). The initial term of the Agreement shall be 20 years from the first commercial sale of the Products in the Territory and may be extended for additional 3 years increments as per mutual agreement of the two parties.

Up to now, the Company and Sun Pharma have made friendly collaboration on two innovative patented products which was announced earlier and the collaboration on generic medicines has covered eight products (products with the same active pharmaceutical ingredients addressing about one billion USD potential market in mainland China according to recent IQVIA data). The two parties will work to further expand and deepen collaboration in the Chinese pharmaceutical market.

About Sun Pharma

Sun Pharma is the world's fourth largest specialty generic pharmaceutical company and India's top pharmaceutical company. A vertically integrated business and a skilled team enable it to deliver high-quality products, trusted by customers and patients in over 100 countries across the world, at affordable prices. Its global presence is supported by manufacturing facilities spread across 6 continents and approved by multiple regulatory agencies, coupled with a multi-cultural workforce comprising over 50 nationalities. Sun Pharma fosters excellence through innovation supported by strong R&D capabilities across multiple R&D centers, with investments of approximately 7% of annual revenues in R&D. For further information, please visit www.sunpharma.com & follow Sun Pharma on Twitter @SunPharma_Live.

By order of the Board
China Medical System Holdings Limited
Lam Kong
Chairman

Hong Kong, 16 August 2019

As at the date of the announcement, the directors of the Company comprise (i) Mr. Lam Kong, Mr. Chen Hongbing and Ms. Chen Yanling as executive directors; and (ii) Mr. Cheung Kam Shing, Terry, Mr. Wu Chi Keung and Mr. Leung Chong Shun as independent non-executive directors.