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HUA MEDICINE

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(Incorporated in the Cayman Islands with limited liability)

(stock code: 2552)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

In accordance with prior approval by the board (the "Board") of directors (the "Directors") of Hua Medicine (the "Company"), the Company announces that on July 20, 2020, the Company granted share options (the "Share Options") to an employee of the Company (the "Grantee") pursuant to the Company's share option scheme which was conditionally approved and adopted on August 26, 2018 and effective beginning September 14, 2018 (the "Share Option Scheme"), subject to acceptance by the Grantee. The Share Options entitles the Grantee to subscribe for a total of 500,000 new shares with a nominal value of US$0.001 each (the "Shares") in the share capital of the Company.

Details of the Share Options granted are as follows:

Date of Grant:	July 20, 2020
Exercise price of Share Options granted:	HK$7.274 per Share, which is the higher of: i. the closing price of HK$7.000 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant of the Share Options, being July 20, 2020; ii. the average closing price of HK$7.274 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of grant of the Share Options; and iii. the nominal value of US$0.001 per Share.

Number of Share Options granted:	An aggregate of 500,000 Share Options (each Share Option shall entitle the holder thereof to subscribe for one (1) Share).
Vesting and validity period of the Share Options:	The Share Options shall be valid for a period of ten (10) years from the date of grant. 25% of the Share Options shall be vested on the first anniversary of the vesting commencement date. The remaining 75% of the Share Options shall be vested in 36 monthly installments thereafter, subject to the Grantee's continued employment from the date of grant.

The Share Options are subject to the terms and condition of the Share Option Scheme. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Grantee is neither a Director, chief executive nor substantial shareholder of the Company nor an associate (as defined in the Listing Rules) of any of them.

By Order of the Board
Dr. Li Chen
Chief Executive Officer and Executive Director

Hong Kong, July 20, 2020

As of the date of this announcement, the Board of Directors comprises Dr. Li Chen and Mr. George Chien Cheng Lin as executive Directors; Mr. Robert Taylor Nelsen and Dr. Lian Yong Chen as non-executive Directors; and Mr. Walter Teh-ming Kwauk, Mr. William Robert Keller, Mr. Junling Liu and Mr. Yiu Wa Alec Tsui as independent non-executive Directors.