

TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED

(Company Registration No. 91120000103100784F)

(Incorporated in People's Republic of China)

(I) RESOLUTIONS PASSED AT THE 2ND BOARD MEETING FOR FY2021

(II) NOTICE OF ANNUAL GENERAL MEETING FOR FY2020

The board of directors (the "Board") and every individual director of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "Company", together with its subsidiaries, the "Group") hereby confirm that they will individually and collectively accept full responsibility for the accuracy of the information given in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated in this announcement are fair and accurate in all material respects as at the date of this announcement, and that there are no material facts the omission of which would make any statement in this announcement misleading.

(I) Resolutions Passed at the 2nd Board Meeting for FY2021

The Company had on 29 March 2021 duly convened its 2nd Board Meeting for the financial year ending 31 December 2021 ("FY2021") by means of live meeting and telephone conference.

The said meeting was convened in compliance with the applicable Companies Law, Securities Law and the Articles of Association of the Company, and the following resolutions were discussed and passed by the 9 directors out of the full board of 9 directors:

1. that the Chairman's Report for the financial year ended 31 December 2020 ("FY2020") be approved;
2. that the Board of Directors' Report for FY2020 be approved;
3. that the full text and summary of the draft annual report for FY2020 prepared in accordance with the accounting standards of the People's Republic of China (the "PRC") and the International Financial Reporting Standards be approved;

The Board and management of the Company confirmed that as far as they are aware, the contents of the aforesaid draft annual report are fair and accurate in all material respects, and that there are no material facts the omission of which would make the aforesaid draft annual report misleading.

4. that the Company's audited financial report for FY2020 be approved;
5. that the scheme of profit distribution policy of the Company for FY2020 be approved;

Based on the audited financial report for FY2020 prepared by ShineWing Certified Public Accountants LLP in accordance with the PRC accounting standards, the Company's net profit for FY2020 is RMB670,720,947.03, and the Company's undistributed profits at the beginning of FY2020 is RMB2,767,065,300.53. Pursuant to the Articles of Association of the Company,

an aggregate amount of RMB420,000 shall be recorded into the Company's statutory common reserve account. Transfer from equity instrument at FVTOCI¹ reserve to retained earnings amounted to RMB42,431,579.36. The Company has distributed a dividend of an aggregate amount of RMB231,810,922.80 for the financial year ended 31 December 2019. In light of the above, the accumulated distributable profit of the Company for FY2020 is RMB3,247,986,904.12.

The Board proposed to declare dividends on the basis of RMB3.0 (inclusive of taxes) for every 10 shares in the capital of the Company. Upon obtaining the shareholders' approval, the proposed dividend is payable in respect of all issued ordinary shares in the capital of the Company as at 31 December 2020.

6. that the Company's "Report on the Social Responsibilities for FY2020" be approved;
7. that the Company's "Self-evaluation Report on the Internal Controls for FY2020" be approved;
8. that the "Report from Independent Directors for FY2020" be approved;
9. that the "Report on Performance from Audit Committee for FY2020" be approved;
10. that the "Report on the Deposit of Proceeds and the Use of Net Proceeds for FY2020" be approved;
11. that the remuneration of S\$55,000 for independent director Mr. Wong Gang for FY2020 be approved;
12. that the remuneration of S\$32,100 for independent director Mr. Liew Yoke Pheng Joseph for FY2020 (specifically, for the period from 5 June 2020 to 31 December 2020) be approved;
13. that the remuneration of S\$25,000 for independent director Mr. Timothy Chen Teck-Leng for FY2020 (specifically, for the period from 1 January 2020 to 5 June 2020) be approved;
14. that the remuneration of RMB60,000 for independent director Mr. Qiang Zhiyuan for FY2020 be approved;
15. that the aggregate remuneration for directors of Company for FY2020 be approved;
16. that the aggregate remuneration for senior management personnel (excluding directors and members of supervisory committee) for FY2020 be approved;
17. that the appointment of Ms. Li Qing as independent director of the Company be approved;

Ms. Li Qing, born in March 1967, is a member of the Communist Party of China. She is a first-rate lawyer and holds a Master of Law degree. Since 2017, she has served as part-time legal consultant of Tianjin Municipal People's Government. Since 2016, she has been an expert member of the Rule of Law Think Tank of Tianjin Municipal People's Government, Chairman of the Supervisory Committee of Tianjin Lawyers Association, a National Excellent Lawyer, and a

¹ This means fair value through other comprehensive income.

Leading Foreign-related Talent of the National Lawyers Association. Since July 1988, she has been a lawyer and founding partner of Tianjin TEDA Law Firm (天津泰达律师事务所律师). She held appointments as an Independent Director of Yunda Technology Co., Ltd. (云大科技股份有限公司) from September 2004 to September 2007, as an Independent Director of Tianjin Motianmo Technology Co., Ltd. (天津膜天膜科技股份有限公司) since January 2018 and as an Independent Director of Tianjin Real Estate Development (Group) Co., Ltd. (天津市房地产发展(集团)股份有限公司) since May 2020, respectively.

18. that the proposed renewal of the shareholders' mandate for the interested person transactions be approved;
19. that the proposed line of credit granted to the Company up to an aggregate limit of RMB6,980,000,000 be approved;

The Board approved a line of credit up to an aggregate limit of RMB6,980,000,000 granted to the Company and proposed to seek a mandate from the shareholders at the general meeting of the Company to empower the management of the Company to handle the relevant specific matters in relation to the loan within the line of credit according to the actual operation needs of the Company.

The Company has received line of credit from the following banks:

No.	Name of the Bank	Line of Credit (RMB'000,000)	Maturity Term
1.	Tianjin Branch, Industrial and Commercial Bank of China (中国工商银行股份有限公司天津分行)	600	1 year
2.	Nankai Sub-branch, Tianjin, Bank of China (中国银行股份有限公司天津南开支行)	450	1 year
3.	Hebei Sub-branch, Tianjin, China Construction Bank (中国建设银行股份有限公司天津河北支行)	330	2 years
4.	Tianjin Port Free Trade Zone Sub-Branch, Agricultural Bank of China (中国农业银行股份有限公司天津港保税区支行)	300	1 year
5.	Tianjin Branch, Export-Import Bank of China(中国进出口银行天津分行)	400	1 year
6.	Tianjin Branch, Merchants Bank of China (招商银行股份有限公司天津分行)	1,300	1 year
7.	Tianjin Branch, China Bohai Bank(渤海银行股份有限公司天津分行)	800	1 year
8.	Tianjin Branch, China Zheshang Bank (浙商银行股份有限公司天津分行)	500	1 year
9.	Tianjin Branch, China Everbright Bank Co.,Ltd. (中国光大银行股份有限公司天津分行)	100	1 year
10.	Tianjin Sub-Branch, China CITIC Bank (中信银行股份有限公司天津支行)	1,300	1 year

11.	Tianjin Branch, China Minsheng Bank (中国民生银行股份有限公司天津分行)	200	1 year
12.	Tianjin Branch, Industrial Bank Co., Ltd., 兴业银行股份有限公司天津分行	600	1 year
13.	Tianjin Branch, Fubang Huayi Bank (富邦华一银行有限公司天津分行)	100	1 year
	Total	6,980	

20. that the proposed re-appointment of ShineWing Certified Public Accountants LLP as PRC auditors of the Company for FY2021, re-appointment of RSM Chio Lim LLP as international auditors of the Company for FY2021, and to propose for the shareholders of the Company at the general meeting to authorise the Board to determine their remuneration, be approved;

21. that the following proposed Company's 2020 asset impairment allowance and reversal proposal use, be approved:

- (1) bad debts allowance of RMB21 million, write-back bad debts allowance of RMB11.4 million, and bad debts written off of RMB13.2 million;
- (2) inventory impairment allowance of RMB11 million, write-back inventory impairment allowance of RMB15.1 million, and inventory allowance written off of RMB12.2 million; and
- (3) write-back property, plant and equipment impairment allowance of RMB1.4 million.

22. that the proposed convening of the annual general meeting for FY2020 be approved.

The above resolutions No. 1, No. 2, No. 4 and No. 5, resolutions No. 11 to No. 15 and resolutions No. 17 to No. 20 shall be tabled for shareholders' approval at the annual general meeting for FY2020 to be convened.

Mr. Tang Tiejun and Mr. Zhang Ping who are interested in resolution No. 18, being the interested directors, have abstained from voting on the resolution.

Certain directors, being personally interested in the relevant resolutions for approval of their respective remuneration, have duly abstained from voting on the respective resolutions at the Board meeting.

(II) **Notice of Annual General Meeting for FY2020**

Pursuant to the Companies Law and the Articles of Association of the Company, the Board proposes to convene the annual general meeting ("**AGM**" or "**Annual General Meeting**") for FY2020 at the meeting room of Zhongxin Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the People's Republic of China 300193 on 17 May 2021 at 1:30 p.m.. Concurrently, the AGM will be held by electronic means for holders of "S" shares ("**S-Shareholders**") in Singapore.

The agenda for the meeting shall be as follows:

1. To consider and approve the Chairman's Report for FY2020; (Resolution 1)
2. To consider and approve the Board of Directors' Report for FY2020; (Resolution 2)
3. To consider and approve the Supervisory Committee's Report for FY2020; (Resolution 3)
4. To consider and approve the Financial Report and Audit Report for FY2020 audited by ShineWing Certified Public Accountants LLP and RSM Chio Lim LLP and reviewed by the Audit Committee of the Company; (Resolution 4)
5. To consider and approve the scheme of profit distribution policy of the Company for FY2020; (Resolution 5)

The Board has recommended to declare dividends of an aggregate amount of RMB232,092,922.80 on the basis of RMB3.0 for every 10 shares in the capital of the Company. The proposed dividend is payable in respect of 773,643,076 issued ordinary shares in the capital of the Company as at 31 December 2020.

6. To consider and approve the remuneration of S\$55,000 for independent director Mr. Wong Gang for FY2020; (Resolution 6)
7. To consider and approve the remuneration of S\$32,100 for independent director Mr. Liew Yoke Pheng Joseph for FY2020 (specifically, for the period from 5 June 2020 to 31 December 2020); (Resolution 7)
8. To consider and approve the remuneration of S\$25,000 for independent director Mr. Timothy Chen Teck-Leng for FY2020 (specifically, for the period from 1 January 2020 to 5 June 2020); (Resolution 8)
9. To consider and approve the remuneration of RMB60,000 for independent director Mr. Qiang Zhi Yuan for FY2020; (Resolution 9)
10. To consider and approve the aggregate remuneration for directors of the Company for FY2020; (Resolution 10)
11. To consider and approve the aggregate remuneration for members of the Supervisory Committee for FY2020; (Resolution 11)
12. To consider and approve the appointment of Ms. Li Qing as independent director of the Company; (Resolution 12)
13. To consider and approve the renewal of the shareholders' mandate for the interested person transactions; (Resolution 13)
 - (a) such approval given in the shareholders' mandate for the interested person transactions ("**Shareholders' Mandate**") shall, unless revoked or varied by the Company in a General Meeting, continue in force until the next annual general meeting

of the Company; and

- (b) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the Shareholders' Mandate and/or this Resolution.

14. To consider and approve the proposed line of credit granted to the Company of up to an aggregate limit of RMB6,980,000,000; and (Resolution 14)

15. To consider and approve the proposed re-appointment of ShineWing Certified Public Accountants LLP as PRC auditors of the Company for FY2021, re-appointment of RSM Chio Lim LLP as international auditors of the Company for FY2021, and to authorise the Board to determine their remuneration. (Resolution 15)

Notes:

1. The AGM will be held by electronic means for S-Shareholders in Singapore pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings of Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to attendance by S-Shareholders at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed by S-Shareholders via "live" audio-and-video webcast or "live" audio-only stream), submission of questions by S-Shareholders to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at AGM and voting by S-Shareholders by appointing the Chairman of the AGM as proxy at the AGM, will be announced by the Company in due course.
3. A holder of shares entitled to attend and vote at the Annual General Meeting (other than S-Shareholders) is entitled to appoint one or more persons (who need not also be shareholders) to act as their proxies to attend and vote on their behalf.

If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

4. **Personal Data Privacy:** By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or

representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

5. Pursuant to the Company's Articles of Association, a holder of tradable domestic shares with limiting conditions for sale shall notify the Company in writing not less than 20 days prior to the Annual General Meeting of his or her intention to attend the Annual General Meeting. A holder of "S" share shall be registered in the shareholder name list or in the Depository Register 48 hours before the appointed time for holding the Annual General Meeting.
6. A holder of tradable domestic shares with limiting conditions for sale who is planning to attend the Annual General Meeting must give a written notice to the Company no later than 21 April 2021.
7. The Annual General Meeting in Tianjin, PRC is expected to last for half a day and all accommodation and other expenses incurred by a shareholder or his/her proxy in connection with his/her attendance at the Annual General Meeting shall be borne by that Shareholder.
8. As the COVID-19 situation continues to evolve, the Company may be required to change our arrangements in Singapore at short notice. S-Shareholders should check SGXNet and/or our corporate website at <http://www.zhongxinp.com/> for the latest updates on the status of the AGM.
9. The Company thanks all members for their understanding and cooperation to hold the AGM in line with appropriate safe distancing measures amidst the COVID-19 pandemic.

By Order of the Board

Jiao Yan
Secretary to the Board of Directors
30 March 2021

IMPORTANT NOTE FOR SHAREHOLDERS:

- (l) Pursuant to Article 69 of the Articles of Association of the Company, the Company shall issue a written notice 45 days in advance of a shareholders' meeting, informing all registered shareholders and the stock exchanges on which the Company's shares are listed of the matters to be examined at the meeting and the date and venue of the meeting. This notice has been given in compliance with the aforementioned provision in the Articles of Association of the Company. In view of the Covid-19 situation and pursuant to the regulatory announcement made by the Singapore Exchange Securities Trading Limited on 1 October 2020, the Company will issue an updated Notice of Annual General Meeting in due course, to provide the S-Shareholders with the details in relation to the alternative arrangements for participation at the Annual General Meeting by S-Shareholders. S-Shareholders should check the SGXNet for the latest updates on the status of the Annual General Meeting.

(II) On 26 March 2021, DBS Bank Ltd. and Bank of China Limited, Singapore Branch, for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the "**Offeror**"), announced the Offeror's firm intention to make a mandatory conditional cash offer to acquire all the issued and paid-up shares in the capital of the Company (the "**Shares**") which are listed on the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**S Shares**"), other than those already owned, controlled or agreed to be acquired by Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (the "**Purchaser**"), the Offeror and Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("**TPH**") (the "**S Shares Chain Offer**") in accordance with Rule 14.1 of the Singapore Code on Take-overs and Merger, and that a mandatory unconditional cash offer will be made by the Purchaser to acquire all the Shares which are listed on the Shanghai Stock Exchange (the "**A Shares**"), other than those A Shares with selling restrictions and those A Shares already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH (the "**A Shares Chain Offer**", and collectively with the S Shares Chain Offer, the "**Chain Offers**"). S-Shareholders should check the SGXNet for the latest updates on the Chain Offers.