

**TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED**  
(Formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited)  
(Company Registration No.: 91120000103100784F)  
(Incorporated in the People's Republic of China)

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**THE PROPOSED ENTRY INTO AN EQUITY CUSTODY AGREEMENT AS AN INTERESTED PERSON TRANSACTION**

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*The board of directors (the “Board”) and every individual director of Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited (formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited) (the “Company” and 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.*

The Board refers to:

- (a) the announcement dated 20 June 2025 made by the Company in relation to the resolutions passed at the 4<sup>th</sup> Board meeting for the financial year ending 31 December 2025 (“**FY2025**”) (the “**FY2025 4<sup>th</sup> Board Meeting**”); and
- (b) the announcement dated 20 June 2025 made by the Company in relation to the proposed entry into a lease agreement as an interested person transaction,

(collectively, the “**Announcements**”).

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Announcements.*

## **1. OVERVIEW**

To enhance business synergies between the Company and pharmacy retail chains, better coordinate resources, and strengthen the Company's market competitiveness and long-term sustainability, the Company proposes to enter into an equity custody agreement (股权托管协议) (the “**Equity Custody Agreement**”) with Tianjin Medicine Asset Management Co., Ltd. (津药资产管理有限公司) (“**TM Asset Management Co.**”) and Tianjin Pharmaceutical Group Jin Yi Tang Chain Co., Ltd. (天津医药集团津一堂连锁股份有限公司) (the “**Target Company**”). Pursuant to the Equity Custody Agreement, TM Asset Management Co. shall entrust the Company to exercise all shareholder rights in respect of 100% of the equity interest in the Target Company (the “**Entrusted Equity**”) for a custody period of three (3) years (the “**Equity Custody Period**”). Upon expiry of the Equity Custody Period, if continued custody is required, the Company and TM Asset Management Co. shall separately negotiate and enter into a new equity custody agreement. Under the Equity Custody Agreement, the Company is entitled to receive an annual custody fee of RMB100,000 (inclusive of tax), amounting to an aggregate of RMB300,000 (inclusive of tax) over the Equity Custody Period (the “**Equity Custody Fees**”), representing approximately 0.004% of the Group's latest audited net tangible assets (“**NTA**”) of RMB7,756,004,000 as at 31 December 2024. The proposed entry into the Equity Custody Agreement will not result in any change to the scope of consolidation of the Group's financial statements.

As at the date of this announcement, the Target Company is a wholly-owned subsidiary of TM Asset Management Co., which in turn is a wholly-owned subsidiary of the Company's controlling shareholder<sup>1</sup>, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("TPH"). Accordingly, each of TM Asset Management Co. and the Target Company is regarded as an associate<sup>2</sup> of TPH and is therefore considered an "interested person"<sup>3</sup> of the Company under Chapter 9 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited. Consequently, the proposed entry into the Equity Custody Agreement constitutes an interested person transaction under Chapter 9 of the Listing Manual.

As at the date of this announcement, the Board comprises nine (9) directors (the "**Directors**"), of whom Mr. Guo Min is a director of TPH, Ms. Wang Lei is the legal representative and a senior management member of TPH, Mr. Xing Jianhua is a senior management member of TPH, and Ms. Mao Weiwen is a senior management member of TPH (collectively, the "**Interested Directors**"). Since TPH is considered an interested person of the Company for the purposes of Chapter 9 of the Listing Manual, the Interested Directors abstained from voting on the resolution to approve the proposed entry into the Equity Custody Agreement as an interested person transaction at the FY2025 4<sup>th</sup> Board Meeting. The remaining five (5) Directors, including all three (3) independent Directors of the Company (the "**Independent Directors**"), voted in favour of the said resolution.

The proposed entry into the Equity Custody Agreement does not constitute a significant transaction under Chapter 10 of the Listing Manual, nor does it constitute a material asset restructuring under the *Administrative Measures for Material Asset Restructurings of Listed Companies* (《上市公司重大资产重组管理办法》) and is therefore not subject to shareholders' approval.

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<sup>1</sup> As defined under the Listing Manual, "**controlling shareholder**" means a person who:

- (a) holds directly or indirectly fifteen per cent. (15%) or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or
- (b) in fact exercises control over the Company.

As defined under the Listing Manual, "**control**" means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.

<sup>2</sup> As defined under the Listing Manual, "**associate**" means:

- (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
  - (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more;
- (b) in relation to a substantial shareholder or controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more.

<sup>3</sup> As defined under the Listing Manual, in the case of a company, "**interested person**" means:

- (a) director, chief executive officer, or controlling shareholder of the issuer; or
- (b) an associate of any such director, chief executive officer, or controlling shareholder.

Although the proposed entry into the Equity Custody Agreement constitutes an interested person transaction under Chapter 9 of the Listing Manual, as further elaborated in paragraph 7 of this announcement, it is not subject to the requirements for immediate announcement or approval of the independent shareholders<sup>4</sup> under Chapter 9 of the Listing Manual. Nevertheless, the Company is making this announcement in accordance with Rules 217 and 703 of the Listing Manual.

## 2. INFORMATION ON TM ASSET MANAGEMENT CO.

As at the date of this announcement, the details of TM Asset Management Co. are as follows:

Name of company	:	Tianjin Medicine Asset Management Co., Ltd. (津药资产管理有限公司)
Type of company	:	Limited liability company (wholly-owned by a legal person) (有限责任公司 (法人独资))
Uniform social credit No.	:	91120000732809374Y
Date of incorporation	:	12 November 2001
Registered capital	:	RMB866,920,000
Registered address	:	8 Bawei Road, Hedong District, Tianjin (天津市河东区八纬路109号)
Legal representative	:	ZHAO Wei (赵炜)
Board of directors/ Sole director	:	ZHAO Wei (赵炜)
Business scope	:	General items: Investment management services using proprietary funds; enterprise headquarters management; investment activities with proprietary funds; sale of Class I medical devices; leasing of non-residential real estate; general warehousing services (excluding hazardous chemicals and other items subject to licensing or approval); sales of daily-use chemical products; wholesale of cosmetics; retail of cosmetics; sale of daily necessities; sale of special equipment for environmental protection; sale of sanitary products and disposable medical supplies; publication of advertisements; production of advertisements; brand management; conference and exhibition services; information technology consulting services; labour services (excluding labour dispatch); and science and technology intermediary services. (Unless otherwise subject to approval under applicable laws, business activities shall be conducted in accordance with the business licence and applicable laws and regulations.)

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<sup>4</sup> In this announcement, “**independent shareholders**” means shareholders who are not TPH and its associates.

Licenced items: Operation of Class III medical devices. (For items subject to approval under applicable laws, such activities shall be carried out only upon obtaining approval from the relevant authorities, and the specific business activities shall be based on the approvals or licences granted by the relevant authorities.)

Key financial information : Based on the audited financial statements of TM Asset Management Co. for the financial year ended 31 December 2024:

- (a) as at 31 December 2024, the total assets and net assets of TM Asset Management Co. were RMB18,109,612,200 and RMB4,430,809,300, respectively; and
- (b) for the period from January to December 2024, TM Asset Management Co. recorded revenue of RMB11,833,452,800 and a net loss of RMB437,710,700.

Dishonest person : No  
subject to enforcement

### 3. INFORMATION ON THE TARGET COMPANY

The subject of the custody arrangement under the Equity Custody Agreement is the entire 100% equity interest in the Target Company held by TM Asset Management Co. (i.e. the Entrusted Equity). Further information on the Target Company is set out below.

#### 3.1 Corporate Information

As at the date of this announcement, the details of the Target Company are as follows:

Name of company	:	Tianjin Pharmaceutical Group Jin Yi Tang Chain Co., Ltd. (天津医药集团津一堂连锁股份有限公司)
Type of company	:	Company limited by shares (股份有限公司)
Uniform social credit No.	:	91120000569304463A
Date of incorporation	:	27 January 2011
Registered capital	:	RMB119,182,600
Registered address	:	9 <sup>th</sup> Floor, Building 1, Anshun Tower, Junction of Jieyuan Road and Dafeng Road, Hongqiao District, Tianjin (天津市红桥区芥园道与大丰路交口安顺大厦1号楼9层)
Legal representative	:	JIANG Wei (蒋炜)
Board of directors	:	JIANG Wei (蒋炜) (Chairman) CHEN Yu (陈羽)

GUO Lili (郭丽丽)  
HE Xiaofang (何晓方)  
XIE Xi (谢希)

Business scope : Retail of pharmaceuticals; operation of Class III medical devices; sale of Class I medical devices; sale of Class II medical devices; sale of (pre-packaged) healthcare foods; sale of food products (pre-packaged only); sale of daily-use products; health consultation services (excluding medical diagnosis and treatment services)

Dishonest person : No  
subject to enforcement

### 3.2 Shareholding Structure of the Target Company

As at the date of this announcement, the shareholding structure of the Target Company is as follows:

No.	Name of Shareholder(s)	Shareholding Proportion
1.	Tianjin Medicine Asset Management Co., Ltd. (津药资产管理 理有限公司) (i.e. TM Asset Management Co.)	100%
<b>Total</b>		<b>100%</b>

### 3.3 Key Financial Information

The key financial information of the Target Company is as follows:

Items	As at 31 December 2024 (audited) (RMB'000)	As at 31 March 2025 (unaudited) (RMB'000)
Total assets	25,180.6	22,109.6
Total liabilities	21,540.7	21,189.8
Total current liabilities	20,979.4	20,528.6
Net assets	3,639.9	919.8
Items	January to December 2024 (audited) (RMB'000)	January to March 2025 (unaudited) (RMB'000)
Revenue	66,590.5	15,032.0
Net profit/(loss)	(11,427.4)	(2,720.1)

## 4. PRINCIPAL TERMS OF THE EQUITY CUSTODY AGREEMENT

The principal terms of the Equity Custody Agreement are set out below.

**Parties** : (a) Party A (Entrusting Party): TM Asset Management Co.  
(b) Party B (Entrusted Party): the Company  
(c) Party C (Target Company): the Target Company

- Status of the Entrusted Equity** : As at the date of the Equity Custody Agreement, TM Asset Management Co. is the sole shareholder of the Target Company, having subscribed for a capital contribution of RMB119,182,600, representing 100% of the equity interest in the Target Company. The subscription has been fully paid, with a contractual deadline for capital contribution by 31 January 2099. The equity interest under custody arrangements (i.e. the Entrusted Equity) is confirmed to be free of any pledge, security interest or encumbrance, and is not subject to judicial freezing or enforcement action.
- Entrusted Arrangement** : TM Asset Management Co. agrees to entrust the Company, and the Company agrees to accept such entrustment, to manage the Entrusted Equity and to exercise shareholder rights within the scope authorised under the Equity Custody Agreement. All legal liabilities arising from the performance of the equity custody arrangement by the Company during the Equity Custody Period shall be borne by TM Asset Management Co..
- Scope of Entrustment** : Unless otherwise provided under the Equity Custody Agreement, the Company is authorised, during the Equity Custody Period, to exercise shareholder rights and perform shareholder obligations in accordance with the Company Law of the People's Republic of China (the “**PRC**”) and the Articles of Association of the Target Company.
- Equity Custody Period** : The custody period shall be three (3) years, commencing from 20 June 2025 to 19 June 2028 (both dates inclusive) (i.e. the Equity Custody Period).
- Equity Custody Fees** : During the Equity Custody Period, TM Asset Management Co. shall pay the Company an annual custody fee of RMB100,000 (inclusive of tax). Such fee shall be payable by the 15<sup>th</sup> day of the first month of each custody year.
- Rights and Obligations of the Parties** : (a) Rights and Obligations of TM Asset Management Co.
- (i) **Right to Information.** During the Equity Custody Period, TM Asset Management Co. shall have the right to:
- (A) be informed of the Target Company's external investments and day-to-day business operations;
- (B) obtain, through the Company, information relating to the Target Company's business performance, financial condition, material decisions, and profit distribution plans, and request the reasonable cooperation and assistance of the Company and the Target Company in this regard; and
- (C) receive, on a regular basis, the Target Company's financial reports and operational reports to ensure

adequate oversight of the Target Company's business and financial position.

- (ii) **Right to Shareholder Returns.** During the Equity Custody Period, TM Asset Management Co., as the shareholder of the Target Company, shall remain entitled to investment returns in proportion to its capital contribution to the Target Company, in accordance with applicable PRC laws and the Articles of Association of the Target Company.
- (iii) **Right to Dispose of Equity Interest.** TM Asset Management Co., as the shareholder of the Target Company, shall retain the right to increase or reduce the registered capital of the Target Company, transfer all or part of its equity interest, or create a pledge or other form of security over such equity interest, subject to applicable PRC laws and the Articles of Association of the Target Company.

The Company shall, upon request, provide all reasonable assistance in facilitating such disposal.

- (iv) **Right to Distribution of Residual Assets.** In the event of liquidation and deregistration of the Target Company during the Equity Custody Period, TM Asset Management Co., as the shareholder of the Target Company, shall be entitled to receive any residual assets of the Target Company in accordance with applicable PRC laws and the Articles of Association of the Target Company.
- (v) **Assumption of Investment and Operational Risks.** TM Asset Management Co., as the shareholder of the Target Company, shall bear, up to the amount of its subscribed capital contribution to the Target Company, all investment and operational risks of the Target Company arising during the Equity Custody Period, in accordance with applicable PRC laws and the Articles of Association of the Target Company, including but not limited to risks arising from failed investments, operating losses, administrative penalties, and other related liabilities.

TM Asset Management Co. irrevocably undertakes and warrants to the Company that the Company shall not be liable for the preservation or appreciation of the capital contribution made by TM Asset Management Co. to the Target Company and shall not be liable to provide any compensation or indemnity in respect of any losses incurred by the Target Company during the Equity Custody Period.

- (vi) **Taxes and Fees.** Unless the prior consent of the Company has been obtained, all taxes and fees arising from or in connection with the equity custody arrangement shall be borne by TM Asset Management Co.. The Company shall have no obligation to make any advance payments on behalf of TM Asset Management Co.. If the Company agrees to make such payments, TM Asset Management Co. shall reimburse the Company in full within a reasonable period as requested by the Company.
- (vii) **Cooperation in Registration and Filing Matters.** TM Asset Management Co. shall, during the Equity Custody Period, cooperate with the Company in completing any required registration, filing, or administrative formalities involving the Target Company.

(b) Rights and Obligations of the Company

During the Equity Custody Period:

- (i) the Company shall, unless otherwise specified in the Equity Custody Agreement, have the right to exercise, on behalf of TM Asset Management Co., the corresponding shareholder rights in the Target Company in accordance with applicable PRC laws and the Articles of Association of the Target Company;
- (ii) the Company shall not engage in any conduct that intentionally prejudices the lawful rights or interests of TM Asset Management Co. in violation of the Equity Custody Agreement;
- (iii) the Company shall not sub-delegate the Entrusted Equity to any third party without the prior written consent of TM Asset Management Co.;
- (iv) the Company shall not dispose of the Entrusted Equity in any form (including but not limited to capital increase or reduction, transfer, gift, waiver, or creation of any form of security interest) without the prior written consent of TM Asset Management Co.;
- (v) in the event that TM Asset Management Co. disposes of its equity interest in the Target Company, the Company shall have the right to unilaterally terminate the Equity Custody Agreement without incurring any liability for breach of contract, and may require TM Asset Management Co. to fully settle all outstanding Equity Custody Fees and reimburse any amounts advanced by the Company within five (5) days from the date of such termination;



- (vi) the obligations of the Company shall be limited to exercising shareholder rights in the Target Company on behalf of TM Asset Management Co. in accordance with the Equity Custody Agreement. The Company shall not be liable for the preservation or appreciation of the capital contribution made by TM Asset Management Co. to the Target Company, and shall not be liable for any compensation or indemnity to TM Asset Management Co. or any creditor of the Target Company in connection with any loss incurred by the Target Company during the Equity Custody Period; and
- (vii) if any registration or filing formalities involving the Target Company are required, the Company shall have the right to request the cooperation from TM Asset Management Co. and the Target Company.

(c) Rights and Obligations of the Target Company

During the Equity Custody Period:

- (i) the Target Company shall have the right to supervise the Company's performance of the equity custody arrangement in accordance with the Equity Custody Agreement, applicable PRC laws and the Articles of Association of the Target Company; and
- (ii) the Target Company shall urge TM Asset Management Co. to actively cooperate with the Company in completing required registration and filing procedures with the competent authorities.

**Synergistic Development** : To enhance resource integration and business coordination, the Company shall, during the Equity Custody Period, exercise its entrusted rights with due regard to the commercial interests of both itself and the Target Company, and promote their synergistic development.

**Termination and Dissolution** : (a) The Equity Custody Agreement shall terminate upon the expiry of the Equity Custody Period.

Unless otherwise provided therein, the Equity Custody Agreement shall also terminate prior to expiry of the Equity Custody Period if the Target Company is declared insolvent or is liquidated and deregistered. The Equity Custody Agreement may be terminated at any time prior to expiry of the Equity Custody Period upon mutual agreement between TM Asset Management Co. and the Company.

- (b) During the term of the Equity Custody Agreement, TM Asset Management Co. shall not have the right to unilaterally terminate the Equity Custody Agreement, save as permitted under applicable laws. Notwithstanding the foregoing, if the Company

commits a material breach of the Equity Custody Agreement or otherwise infringes upon the legitimate rights and interests of TM Asset Management Co., TM Asset Management Co. shall be entitled to unilaterally terminate the Equity Custody Agreement.

- (c) During the term of the Equity Custody Agreement, if TM Asset Management Co. fails to pay the Equity Custody Fees to the Company in a timely and sufficient manner in accordance with the Equity Custody Agreement, the Company shall have the right to unilaterally terminate the Equity Custody Agreement, provided that TM Asset Management Co. has been given a reasonable period to remedy such failure and has not done so.

## **5. BASIS FOR DETERMINATION OF THE EQUITY CUSTODY FEES**

The Equity Custody Fees were determined through arm's length negotiations between the Company and TM Asset Management Co., taking into consideration the resources expected to be deployed by the Company under the equity custody arrangement and the specific circumstances of such arrangement. The Equity Custody Fees were agreed upon on the basis of voluntariness, fairness and impartiality, and are not prejudicial to the interests of the Company or its minority shareholders.

## **6. RATIONALE FOR, AND BENEFITS OF, THE PROPOSED ENTRY INTO THE EQUITY CUSTODY AGREEMENT**

The proposed entry into the Equity Custody Agreement is intended to enhance resource coordination and operational synergy between the Company and the Target Company, thereby strengthening the Company's market competitiveness and long-term sustainability. In addition, the Company will leverage its professional expertise in management and operations to improve the overall governance and operational efficiency of the Target Company.

The proposed entry into the Equity Custody Agreement will not result in any change to the scope of consolidation of the Group's financial statements and is not expected to have any material adverse impact on the Company's ordinary business operations, future financial position or operating performance. It will also not impair the Company's independence. Further, the proposed entry into the Equity Custody Agreement complies with the applicable requirements of the China Securities Regulatory Commission (中国证券监督管理委员会) (the "CSRC") and the Shanghai Stock Exchange (the "SSE") and is not prejudicial to the interests of the Company and its minority shareholders.

## **7. INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL**

### **7.1 Proposed entry into the Equity Custody Agreement as an Interested Person Transaction**

As at the date of this announcement,

- (a) TPH holds approximately 42.997% of the issued share capital of the Company and is therefore considered a controlling shareholder. Accordingly, TPH and its associates are regarded as "interested persons" under Chapter 9 of the Listing Manual; and
- (b) TPH holds 100% of the equity interest in TM Asset Management Co., which in turn holds 100% of the equity interest in the Target Company. As such, both TM Asset Management

Co. and the Target Company are regarded as associates of TPH and are therefore considered “interested persons” under Chapter 9 of the Listing Manual.

Consequently, the proposed entry into the Equity Custody Agreement constitutes an interested person transaction under Chapter 9 of the Listing Manual.

As the value of the Equity Custody Agreement (i.e. the Equity Custody Fees of RMB300,000) is less than S\$100,000, the Company is not required to make an immediate announcement or seek independent shareholders’ approval pursuant to Rules 905 and 906 of the Listing Manual.

Nevertheless, the Company is making this announcement in accordance with Rules 217 and 703 of the Listing Manual.

## 7.2 Current and On-going Interested Person Transactions

For the information of the shareholders of the Company,

- (a) save for the proposed entry into the Equity Custody Agreement, there are no other interested person transactions that have been entered into, or are proposed to be entered into, between the Company and TM Asset Management Co. for the current financial year beginning 1 January 2025 up to the date of this announcement;
- (b) save for the proposed entry into the Equity Custody Agreement, there are no other interested person transactions that have been entered into, or are proposed to be entered into, between the Company and the Target Company for the current financial year beginning 1 January 2025 up to the date of this announcement; and
- (c) save for:
  - (i) the financial services agreement entered into between the Company and Tianjin Pharmaceutical Group Finance Co., Ltd. (天津医药集团财务有限公司) (“**TPGF**”), which was approved by the independent shareholders at the annual general meeting (“**AGM**”) of the Company held on 15 May 2023<sup>5</sup>;
  - (ii) the proportionate guarantee of up to RMB823,650,000 provided by the Company for Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司) (“**TJZX Medicine**”), which was approved by the independent shareholders at the extraordinary general meeting of the Company held on 29 October 2024<sup>6</sup>;
  - (iii) the guarantee of up to RMB1,647,300,000 provided by the Company for Tianjin Pharmaceutical Group Taiping Medicine Co., Ltd. (津药太平医药有限公司)

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<sup>5</sup> Please refer to the annexure dated 28 April 2023 accompanying the notice of AGM in relation to the proposed financial services agreement to be entered into between the Company and TPGF as an interested person transaction and all transactions arising therefrom, and the Company’s announcement dated 15 May 2023 for further information.

<sup>6</sup> Please refer to the Company’s circular dated 14 October 2024 in relation to, *inter alia*, the Company’s proposed provision of a guarantee of up to RMB823,650,000 for TJZX Medicine, and its announcement dated 29 October 2024 for further information.

(“**Taiping Medicine**”), which was approved by the independent shareholders at the AGM of the Company held on 15 May 2025<sup>7</sup>;

- (iv) the guarantee of up to RMB815,000,000 provided by the Company for TJZX Medicine, which was approved by the independent shareholders at the AGM of the Company held on 15 May 2025<sup>8</sup>;
- (v) the proposed entry into a lease agreement between the Company and Taiping Medicine, with a total contract value of RMB14,785,800<sup>9</sup>; and
- (vi) the transactions entered into pursuant to the general mandate for recurrent transactions of a revenue trading nature, or those necessary for the Company’s day-to-day operations with specified classes of interested persons, which was last renewed and approved by the independent shareholders at the AGM of the Company held on 15 May 2025<sup>10</sup>,

there are no other interested person transactions (excluding transactions below S\$100,000) that have been entered into, or are proposed to be entered into, between, on the one hand, the Company, its subsidiaries and/or associated companies<sup>11</sup>, which are considered an “entity at risk” under Rule 904(2) of the Listing Manual and, on the other hand, TPH and/or its associates for the current financial year beginning 1 January 2025 up to the date of this announcement.

Accordingly, the current total value of all interested person transactions (excluding interested person transaction less than S\$100,000 and the Equity Custody Agreement) entered into by, on the one hand, the Company, its subsidiaries and/or associated companies, which are considered an “entity at risk” under Rule 904(2) of the Listing Manual and, on the other hand, TPH and/or its associates for the current financial year beginning 1 January 2025 up to the date of this announcement, is approximately RMB3,300,735,800, representing approximately 42.56% of the Group’s latest audited NTA of RMB7,756,004,000 as at 31 December 2024.

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<sup>7</sup> Please refer to the annexure dated 30 April 2025 accompanying the notice of AGM in relation to the proposed provision of a guarantee of up to RMB1,647,300,000 for Taiping Medicine and the proposed provision of a guarantee of up to RMB815,000,000 for TJZX Medicine, and the Company’s announcement dated 15 May 2025 for further information.

<sup>8</sup> *Ibid.*

<sup>9</sup> Please refer to the announcement dated 20 June 2025 made by the Company in relation to the proposed entry into a lease agreement as an interested person transaction for further information.

<sup>10</sup> Please refer to the annexure dated 30 April 2025 accompanying the notice of AGM in relation to the proposed renewal of mandate for interested person transactions (as set out on pages 164 to 186 of the Company’s annual report for the financial year ended 31 December 2024), and the Company’s announcement dated 15 May 2025 for further information.

<sup>11</sup> In this announcement, “**associated company**”, in relation to a corporation, means:

- (a) any corporation in which the corporation or its subsidiary has, or the corporation and its subsidiary together have, a direct interest in voting shares of not less than twenty per cent. (20%) but not more than fifty per cent. (50%) of the total votes attached to all voting shares in the corporation; or
- (b) any corporation, other than a subsidiary of the corporation or a corporation which is an associated company by virtue of paragraph (a), the policies of which the corporation or its subsidiary, or the corporation together with its subsidiary, is or are able to control or influence materially.

### 7.3 Audit Committee's Statement

As at the date of this announcement, the audit committee of the Company (the “**Audit Committee**”) comprises Mr. Liew Yoke Pheng Joseph, Mr. Yeo Guat Kwang, and Mr. Zhong Ming, all of whom are considered independent for the purposes of reviewing the Equity Custody Agreement as an interested person transaction.

Having reviewed the terms, rationale for, and benefit of, the proposed entry into the Equity Custody Agreement, the Audit Committee is of the view that the proposed entry into the Equity Custody Agreement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

### 8. ALL RELATED PARTY TRANSACTIONS FOR THE PAST TWELVE (12) MONTHS (EXCLUDING THOSE APPROVED BY SHAREHOLDERS)

In accordance with the applicable laws of the PRC, including the Listing Rules of the SSE, and excluding related party transactions that have been approved by the shareholders of the Company, save for:

- (a) the transactions entered into by the Company with TPH, its subsidiaries and/or associated companies relating to the receipt and provision of labour services, lease of properties, lease of housing equipment, and purchase of assets, with an aggregate transaction value of approximately RMB17,327,500, representing approximately 0.22% of the Company's latest audited net assets attributable to equity holders of the Company;
- (b) the capital contribution of RMB150,000,000 by the Company to TPGF on a pro rata basis<sup>12</sup>, representing approximately 1.91% of the Company's latest audited net assets attributable to equity holders of the Company; and
- (c) the proposed entry into a lease agreement (房屋租赁合同) between the Company and Taiping Medicine, with a total contract value of RMB14,785,800, representing approximately 0.19% of the Company's latest audited net assets attributable to equity holders of the Company,

the Company has not entered into any other related party transactions in the past twelve (12) months immediately preceding the date of this announcement.

### 9. DECISION-MAKING PROCEDURES FOR THE PROPOSED ENTRY INTO THE EQUITY CUSTODY AGREEMENT AS AN INTERESTED PERSON TRANSACTION

#### 9.1 Board Meeting

On 20 June 2025, the Company convened its FY2025 4<sup>th</sup> Board Meeting, at which the Board considered and approved, amongst others, the proposed entry into the Equity Custody Agreement as an interested person transaction.

Mr. Guo Min, Ms. Wang Lei, Mr. Xing Jianhua, and Ms. Mao Weiwen, being Interested Directors in respect of the above resolution, abstained from voting on the said resolution. Of the nine (9)

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<sup>12</sup> Please refer to the Company's announcement dated 6 September 2024 for further information on its capital contribution to TPGF.

Directors currently serving on the Board, the remaining five (5) non-interested directors, including all three (3) Independent Directors, voted in favour of the said resolution.

## **9.2 Special Meeting of Independent Directors**

On 20 June 2025, the Company convened the 2<sup>nd</sup> Special Meeting of Independent Directors for FY2025. In accordance with relevant laws and regulations, including the *Administrative Measures for Independent Directors of Listed Companies* (《上市公司独立董事管理办法》) issued by the CSRC, the Listing Rules of the SSE, and the Listing Manual, the Independent Directors conducted a prior review and expressed the following opinions on the proposed entry into the Equity Custody Agreement, which constitutes an interested person transaction:

- (a) each of TM Asset Management Co. and the Target Company is considered an interested person of the Company under Chapter 9 of the Listing Manual. Accordingly, the Interested Directors (i.e. Mr. Guo Min, Ms. Wang Lei, Mr. Xing Jianhua, and Ms. Mao Weiwen) abstained from voting on the resolution in respect of the proposed entry into the Equity Custody Agreement;
- (b) the proposed entry into the Equity Custody Agreement adheres to the principles of equality, voluntariness, mutual benefit, and reciprocity, and it does not affect the Company's independence and is not prejudicial to the interests of the Company and its minority shareholders;
- (c) the terms of the Equity Custody Agreement are lawful and valid, and do not contravene any mandatory provisions of applicable laws, regulations, or normative documents currently in force; and
- (d) the Independent Directors agreed to submit the proposed entry into the Equity Custody Agreement to the FY2025 4<sup>th</sup> Board Meeting for consideration.

## **10. DOCUMENT AVAILABLE FOR INSPECTION**

A copy of the Equity Custody Agreement is available for inspection at the registered office of the Company at 17 Baidi Road, Nankai District, Tianjin, the PRC 300193, during normal business hours for a period of three (3) months from the date of this announcement.

### **By Order of the Board**

Jiao Yan  
Secretary to the Board of Directors  
20 June 2025