

**TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED**

(Company Registration No. 91120000103100784F)

(Incorporated in the People's Republic of China)

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**UPDATE ON THE PLACEMENT IN RELATION TO THE TEMPORARY USE OF PROCEEDS**

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***The board of directors (the "Board") of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "Company") collectively and individually 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 the previous announcements by the Company on 12 June 2014, 12 August 2014, 7 January 2015, 28 January 2015, 27 March 2015, 28 April 2015, 8 June 2015, 15 July 2015, 22 July 2015, 14 August 2015, 26 August 2015, 1 September 2015, 7 September 2015, 28 September 2015, 9 October 2015, 15 October 2015, 30 October 2015, 10 November 2015, 17 November 2015, 8 December 2015, 11 December 2015, 23 December 2015, 19 January 2016, 8 March 2016 and 21 March 2016, 26 April 2016, 8 June 2016, 5 July 2016, 12 August 2016, 24 August 2016, 26 August 2016, 29 November 2016, 7 March 2017, 30 March 2017, 13 June 2017, 14 August 2017, 23 August 2017, 24 August 2017, 28 November 2017, 8 January 2018, 30 March 2018, 9 August 2018, 14 August 2018, 24 August 2018, 29 March 2019, and 14 August 2019 (the "**Prior Announcements**"), as well as the circular dated 1 August 2014 (the "**Circular**") in relation to the Placement.

*Capitalised terms not defined herein shall bear the same meaning as terms defined in the Prior Announcements and the Circular.*

Pursuant to the 6<sup>th</sup> Board meeting for year 2018, the Board had passed the resolution approving the Temporary Use and allowed the Company to use an amount of RMB250,000,000.00 from the Net Proceeds for the Company's cash flow purposes, within a 12-month period. Please refer to the announcement made by the Company on 24 August 2018 for further details on the foregoing.

As at 22 August 2019, the amount of RMB250,000,000.00 from the Net Proceeds used for the purposes of cash flow of the Company as mentioned above has been returned to the Designated Accounts of the Company, and the Placement Agent has been informed of the same.

By order of the Board  
23 August 2019