

TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED
(Company Registration No.: 91120000103100784F)
(Incorporated in the People's Republic of China)

**POSSIBLE CHAIN OFFERS ANNOUNCEMENT IN RELATION TO POSSIBLE MANDATORY
CONDITIONAL CASH OFFER FOR S SHARES OF THE COMPANY AND POSSIBLE MANDATORY
UNCONDITIONAL CASH OFFER FOR A SHARES OF THE COMPANY**

1. INTRODUCTION

The board of directors (the **"Board"**) of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the **"Company"**) refers to:

- (a) the announcements dated 9 October 2018, 15 June 2020, 28 September 2020 and 20 December 2020 made by the Company in relation to a mixed-ownership reform proposed by the Company's controlling shareholder, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) (**"TPH"**) in order to effectively implement the general planning of the Tianjin Municipal Committee of the Communist Party of China, People's Government of Tianjin Municipality and State-owned Assets Supervision and Administration Commission of Tianjin Municipal Government on promoting the reform of state-owned enterprises; and
- (b) the possible chain offers announcement dated 20 December 2020 (the **"Possible Chain Offers Announcement"**) made by DBS Bank Ltd. for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the **"Offeror"**) in relation to a possible 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 the Offeror and TPH (the **"S Offer Shares"**) (the **"S Shares Chain Offer"**), and a possible mandatory unconditional cash offer by Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (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 and TPH (the **"A Offer Shares"**), and collectively with the S Offer Shares, the **"Offer Shares"**) (the **"A Shares Chain Offer"**), and collectively with the S Shares Chain Offer, the **"Chain Offers"**).

A copy of the Possible Chain Offers Announcement is attached to this announcement (the **"Announcement"**) and is also available on the website of the SGX-ST at www.sgx.com. Unless otherwise defined, all capitalised terms used and not defined herein shall bear the same meanings ascribed to them in the Possible Chain Offers Announcement.

Shareholders of the Company (the "Shareholders") are advised to review, in conjunction with this Announcement, the Possible Chain Offers Announcement in its entirety and carefully and in particular, for (i) the offer terms of the Chain Offers, (ii) the Chain Offer Condition, (iii) the rationale for the Chain Offers, (iv) the Offeror's and Purchaser's intentions for the Company in respect of the listing status of the Company and (v) the Chain Offers period.

Shareholders should note that, as stated in the Possible Chain Offers Announcement, the Chain Offers will not be made unless and until the Acquisition is completed and the Chain Offer Condition is satisfied or waived, and there is no certainty that the Chain Offer Condition will be satisfied or waived and that the Chain Offers will be made. If the Acquisition cannot be completed and the Chain Offer Condition is not satisfied or waived, the Chain Offers will not be made and the Offeror and Purchaser will issue an announcement confirming such fact as soon as reasonably practicable. Shareholders are advised to exercise caution when dealing in the Shares.

2. INDEPENDENT FINANCIAL ADVISER

The Board will, in due course, in connection with the S Shares Chain Offer, appoint an independent financial adviser (the “**IFA**”) to advise the directors of the Company (the “**Directors**”) who are regarded as independent for the purposes of the S Shares Chain Offer under the Singapore Code on Takeovers and Mergers (the “**Independent Directors**”) and such appointment will be announced accordingly.

3. OFFEREE CIRCULAR

If and when the S Shares Chain Offer is made, a circular (the “**Offeree Circular**”) containing, *inter alia*, the advice of the IFA and the recommendations of the Independent Directors on the S Shares Chain Offer will be despatched by the Company to the Shareholders within 14 days from the date of despatch of the formal offer documents containing the full terms and conditions of the Chain Offers to be issued by or on behalf of the Offeror and the Purchaser.

In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and to refrain from taking any action in relation to their Shares which may be prejudicial to their interests, until they or their advisers have considered the information and the recommendations of the Independent Directors as well as the advice of the IFA which will be set out in the Offeree Circular. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

The Company will release further announcements at the appropriate junctures.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Offeror and its concert parties, the Purchaser and the Chain Offers) are fair and accurate, and there are no other facts not contained in this Announcement, the omission of which would make any statement in the Announcement misleading, and they jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Possible Chain Offers Announcement and any other announcements made by or on behalf of the Offeror), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Jiao Yan
Secretary to the Board of Directors

20 December 2020

POSSIBLE MANDATORY CONDITIONAL CASH OFFER

By



DBS BANK LTD.

(Company Registration No.:196800306E)
(Incorporated in the Republic of Singapore)

BANK OF CHINA LIMITED, SINGAPORE BRANCH

(Entity No.: S36FC0753G)
(Foreign Company registered in Singapore)

for and on behalf of

TIANJIN PHARMACEUTICAL (SINGAPORE) INTERNATIONAL INVESTMENT PTE. LTD.

(Company Registration No.: 200922469M)
(Incorporated in Singapore)

to acquire all the issued and paid-up S Shares (as defined below) in the capital of

TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED

(Company Registration No.: 91120000103100784F)
(Incorporated in the People's Republic of China)
(the "**Company**"),

other than those already owned, controlled or agreed to be acquired by the Purchaser, the Offeror
and TPH

AND

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER

By

JINHUSHEN BIOLOGICAL MEDICAL SCIENCE AND TECHNOLOGY CO., LTD

(Uniform Social Credit No.: 91120103MA075MN31R)
(Incorporated in the People's Republic of China)

to acquire all the issued and paid-up A Shares (as defined below) in the capital of the Company, other
than those with selling restrictions and those already owned, controlled or agreed to be acquired by
the Purchaser, the Offeror and TPH

POSSIBLE CHAIN OFFERS ANNOUNCEMENT

1. INTRODUCTION

DBS Bank Ltd. and Bank of China Limited, Singapore Branch (collectively, the "**Joint Singapore Financial Advisers**") wish to announce, for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the "**Offeror**"), that Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (the "**Purchaser**") had entered into a sale and purchase agreement (the "**SPA**") on 19 December 2020 with Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海国有资产经营管理有限公司) (the "**Vendor**") in relation to the acquisition (the "**Acquisition**") of a stake of 67% in Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("**TPH**").

Immediately prior to the making of this announcement (this "**Announcement**"), TPH holds a direct interest in 325,855,528 A Shares (as defined below) and an indirect interest, through the Offeror, in 5,265,000 S Shares (as defined below) of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "**Company**"), representing in aggregate approximately 42.8% of total ordinary shares of the Company ("**Shares**").

The Securities Industry Council of Singapore (the "**SIC**") has confirmed, *inter alia*, that the chain principle set out in Note 7 to Rule 14.1 of the Singapore Code on Take-overs and Mergers (the "**Code**") applies such that any person which acquires statutory control of TPH shall be required to make an offer for Shares not held by such person and its concert parties. The SIC has further confirmed that it has no objection to such offer being made by a concert party of the Purchaser (which will include the Offeror upon completion of the Acquisition). Accordingly, in the event that the Purchaser acquires statutory control of TPH pursuant to the Acquisition (the "**Chain Offer Condition**"), a mandatory conditional cash offer (the "**S Shares Chain Offer**") will be made by the Joint Singapore Financial Advisers, for and on behalf of the Offeror, for the Shares which are listed on the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**S Shares**"), other than those already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH (the "**S Offer Shares**").

A separate mandatory unconditional cash offer (the "**A Shares Chain Offer**" and collectively with the S Shares Chain Offer, the "**Chain Offers**") will be made by the Purchaser for the Shares which are listed on the Shanghai Stock Exchange (the "**SSE**") (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 Offer Shares**", and collectively with the S Offer Shares, the "**Offer Shares**").

The Chain Offers will not be made unless and until the Chain Offer Condition is satisfied or waived.

2. THE POSSIBLE OFFER

2.1 Offer Terms

The SIC has ruled, *inter alia*, that:

- (a) the price for the S Shares Chain Offer will be the higher of:
 - (i) the simple average of the volume weighted average traded prices (the "**VWAP**") of the S Shares on the SGX-ST on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the date of this Announcement (the "**Announcement Date**"); and
 - (ii) the price calculated by applying the ratio of the simple average of daily VWAP of the S Shares and the A Shares over the course of six (6) months up to and including the Announcement Date (the "**Ratio**") to the A Shares offer price;
- (b) the price for the A Shares Chain Offer will be the highest of:
 - (i) the simple average of the VWAP of the A Shares on the SSE on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Announcement Date;
 - (ii) the price calculated by applying the Ratio to the S Shares offer price; and
 - (iii) the price that is required pursuant to the applicable regulations in the People's Republic of China (the "**PRC**"); and
- (c) the Purchaser and the Offeror would be permitted to use the central parity rate of Renminbi ("**RMB**") against United States dollars ("**USD**") authorised by People's Bank of China and announced by the China Foreign Exchange Trade System on each PRC business day¹ at 9:15 a.m. to convert the daily RMB-denominated A Share prices to USD on the Announcement Date for the purpose of calculating the prices for the S Shares Offer, the A Shares Offer and the ratio of the offer values.

The applicable regulations in the PRC for the determination of the price of the A Shares Offer are the Securities Law of the People's Republic of China 《中华人民共和国证券法》 (the "**PRC Securities Law**") and Administrative Measures on the Acquisition of Listed Companies 《上市公司收购管理办法》 (the "**PRC Acquisition Rules**").

¹ If a certain Singapore trading day falls within PRC national holidays, it should be adjusted according to "the previous business day" rule and shifted to the previous PRC business day.

The respective prices calculated based on the above ruling and regulations are as follows:

S Shares Chain Offer	Price (USD)*
The simple average of the VWAP of the S Shares on the SGX-ST on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Announcement Date	0.893
The price calculated by applying the Ratio to the A Shares offer price	0.893
A Shares Chain Offer	Price (RMB)*
The simple average of the VWAP of the A Shares on the SSE on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Announcement Date	16.82
The price calculated by applying the Ratio to the S Shares offer price	17.43
The price that is required pursuant to the applicable PRC regulations: being the simple average of the VWAP of the A Shares on the SSE on the latest 30 trading days up to and including the Announcement Date	16.69

* Prices are rounded to three (3) and two (2) decimal places per the respective regulations of the SGX-ST and the SSE.

Accordingly, if and when made, the offer prices of the Chain Offers will be as follows:

- (A) A Shares Chain Offer: RMB17.43 per A Offer Share (the "**A Shares Offer Price**"); and
- (B) S Shares Chain Offer: USD0.893 per S Offer Share (the "**S Shares Offer Price**").

The Offer Shares are to be acquired (1) fully paid-up; (2) free from all liens, equities, mortgages, charges, claims, assignments, hypothecations, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever; and (3) together with all rights, benefits and entitlements attached thereto as at the Announcement Date and hereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon by the Company on or after the Announcement Date).

If any dividend, right and other distribution or return of capital is announced, declared, paid or made by the Company on or after the Announcement Date, the Offeror and the Purchaser reserve the right to reduce the S Shares Offer Price and the A Shares Offer Price by the amount of such dividend, right and other distribution or return of capital.

2.2 Conditional S Shares Chain Offer and Unconditional A Shares Chain Offer

Conditional S Shares Chain Offer

The S Shares Chain Offer will be conditional upon the Offeror and the Purchaser having received, by the close of the Chain Offers, valid acceptances in respect of such number of Offer Shares, which when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH before or during the Chain Offers, will result in the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH holding more than 50% of the Shares (excluding any Shares held in treasury) as at the close of the S Shares Chain Offer.

Accordingly, the S Shares Chain Offer will not become or be capable of being declared unconditional as to acceptances, unless at any time prior to the close of the Chain Offers, the Offeror and the Purchaser have received valid acceptances in respect of such Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH before or during the Chain Offers, will result in the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH holding such number of Shares carrying more than 50% of the voting rights attributable to the maximum potential issued share capital (excluding any Shares held in treasury) of the Company. For this purpose, the "**maximum potential issued share capital of the Company**" means the total number of Shares which would be in issue had all outstanding instruments convertible into, rights to subscribe for, and options in respect of, the Shares (including pursuant to the 2019 Restricted A-Share Incentive Scheme) (other than those acquired or agreed to be acquired by the Offeror, the Purchaser and TPH) have been exercised as at the date of such declaration.

Unconditional A Shares Chain Offer

Pursuant to the PRC Acquisition Rules, the A Shares Chain Offer will be unconditional in all respects.

3. INFORMATION ON THE ACQUISITION

3.1 Timeline

- (a) On 29 September 2020, the Vendor publicly listed its 67% shares in TPH on the Tianjin Property Rights Exchange for sale in connection with a proposed mixed ownership reform of TPH;
- (b) On 21 October 2020, the Purchaser held a board meeting and approved the Purchaser's participation in the bidding of the 67% shares of TPH as listed on the Tianjin Property Rights Exchange by the Vendor as an interested transferee;

- (c) On 21 October 2020, the Purchaser held a general meeting to approve the Purchaser's participation in the bidding of the 67% shares of TPH as listed on the Tianjin Property Rights Exchange by the Vendor as an interested transferee;
- (d) On 19 December 2020, the Purchaser held a board meeting and approved the Purchaser to acquire, in accordance with the PRC Acquisition Rules, all the A Shares without selling restrictions (other than those shares owned by TPH), via a general offer after the successful bidding of the 67% shares of TPH;
- (e) On 19 December 2020, the Purchaser held a general meeting and approved the Purchaser to acquire, in accordance with the PRC Acquisition Rules, all the A Shares other than those A Shares with selling restrictions and those A Shares owned by TPH via a general offer after the successful bidding of the 67% shares of TPH;
- (f) On 9 December 2020 and 19 December 2020, TPH passed board resolutions to approve the S Shares Chain Offer;
- (g) On 19 December 2020, the Offeror passed board resolutions to approve the S Shares Chain Offer; and
- (h) On 19 December 2020, the Purchaser signed the SPA to acquire the 67% shares of TPH.

3.2 Conditions to the Acquisition

The Acquisition is subject to the following conditions:

- (a) the indirect transfer of shares of listed companies in relation to the Acquisition shall be reported to the relevant administrative authority for state-owned assets supervision and administration for review and approval after the signing of the SPA; and
- (b) the concentration of undertakings in relation to the Acquisition shall be subject to the review and approval of the State Administration for Market Regulation (国家市场监督管理总局).

It is currently expected that the abovementioned conditions will be satisfied and completion of the Acquisition will occur within a period of six (6) months from the Announcement Date.

The Chain Offers will not be made unless and until the Acquisition is completed and the Chain Offer Condition is satisfied or waived.

4. FORMAL OFFER ANNOUNCEMENT

If and when the Chain Offer Condition is satisfied or waived, an announcement (the "**Formal Offer Announcement**") will be made by the Offeror and the Purchaser of their respective firm intentions to make the Chain Offers. **If the Acquisition cannot be completed and the Chain Offer Condition is not satisfied or waived, the Chain Offers will not be made and the Offeror and Purchaser will issue an announcement confirming such fact as soon as reasonably practicable.**

Shareholders should note that there is no certainty that the Chain Offer Condition will be satisfied or waived and that the Chain Offers will be made. Shareholders are advised to exercise caution when dealing in the Shares.

5. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

5.1 The Offeror

The Offeror was incorporated in Singapore on 2 December 2009 and has been a wholly-owned subsidiary of TPH since incorporation. The Offeror's principal activity is that of an investment holding company.

As at the Announcement Date:

- (a) the Offeror has an issued and paid-up share capital of USD5,000,000 comprising 5,000,000 issued and paid-up ordinary shares; and
- (b) the directors of the Offeror are Wang Jiaying and Wu Wing Yeu Michael.

5.2 The Purchaser

The Purchaser was incorporated in Tianjin, the PRC, on 21 October 2020 by Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司), Shenzhen Qianhai Furong Asset Management Co., Ltd (深圳市前海富荣资产管理有限公司), Shenzhen Ruice Biological Medical Development Co., Ltd (深圳市瑞测生物医药发展有限公司) and Hainan Special Economic Zone Yousheng Enterprise Management Limited Partnership (海南经济特区友盛企业管理合伙企业(有限合伙)) for the purpose of undertaking the Acquisition.

As at the Announcement Date:

- (a) the Purchaser has a registered capital of RMB5 billion; and
- (b) the board of directors of the Purchaser comprises:
 - (i) Xu Bo (徐波) (Chairman and Legal Representative);
 - (ii) Luo Xuan (罗寰);

- (iii) Guo Tao (郭涛);
- (iv) Guo Min (郭民);
- (v) Feng Jun (冯骏); and
- (vi) Zhang Hai Chen (张海晨).

Further information on the Purchaser is set out in the Appendix.

5.3 TPH

TPH, a vast conglomerate with over 160 subsidiaries across the world, is wholly-owned by the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府国有资产监督管理委员会) through its wholly-owned subsidiaries, the Vendor and Tianjin Tsinlien Investment Holding Co., Ltd (天津津联投资控股有限公司).

As at the Announcement Date, TPH has an aggregate interest in 325,855,528 A Shares and 5,265,000 S Shares, representing approximately 42.8% of the total voting rights of the Company.

6. INFORMATION ON THE COMPANY

Based on publicly available information, the Company was incorporated as a company limited by shares on 20 December 1992 in Tianjin, the PRC.

As at the Announcement Date, based on publicly available information:

- (a) the Company's issued and paid up share capital comprises:
 - (i) 200,000,000 S Shares representing 25.85% of the total number of Shares; and
 - (ii) 573,643,076 A Shares representing 74.15% of the total number of Shares, of which 7,775,000 A Shares are restricted and cannot be traded on the market for a restricted period; and
- (b) the board of directors of the Company comprises:
 - (i) Li Liqun (Chairman);
 - (ii) Wang Mai (Executive Director);
 - (iii) Zhou Hong (Executive Director);
 - (iv) Li Yan (Executive Director);

- (v) Tang Tiejun (Non-Executive Director);
- (vi) Zhang Ping (Non-Executive Director);
- (vii) Qiang Zhiyuan (Lead Independent and Non-Executive Director);
- (viii) Wong Gang (Independent and Non-Executive Director); and
- (ix) Liew Yoke Pheng Joseph (Independent and Non-Executive Director).

The shareholding structure of the Company as of the Announcement Date is as follows:

Shares	Number of Shares	Percentage (%)
Shares with selling restrictions	7,775,000	1.01%
Shares without selling restrictions	765,868,076	99.00%
Out of which: A Shares without selling restrictions	565,868,076	73.14%
S Shares without selling restrictions	200,000,000	25.85%
Total Shares	773,643,076	100.00%

7. RATIONALE FOR THE CHAIN OFFERS

As a result of the Acquisition, the Offeror and the Purchaser are making the Chain Offers in compliance with the requirements of the Code and the PRC Securities Law and the PRC Acquisition Rules.

8. LISTING STATUS AND COMPULSORY ACQUISITION

8.1 Listing Status

(a) S Shares Chain Offer

Under Rule 723 of the listing manual of the SGX-ST (the "**Listing Manual**"), an issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public (the "**Free Float Requirement**").

Under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not satisfied, the issuer must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of the class, or all the securities of the issuer listed on the SGX-ST. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the issuer a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of securities held in public

hands to at least 10%. The issuer may be removed from the Official List if it fails to restore the percentage of securities in public hands to at least 10% after the period.

Pursuant to Rule 1105 of the Listing Manual, when a takeover offer is made for the securities of an issuer, upon the announcement by the offeror that acceptances have been received that brings the holdings owned by the offeror and parties acting in concert with it to above 90% of the total number of issued shares excluding treasury shares, the SGX-ST may suspend the trading of such securities in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of issued shares excluding treasury shares are held by at least 500 shareholders who are members of the public.

Rule 1303(1) of the Listing Manual provides that, in a take-over situation, where the offeror succeeds in garnering acceptances exceeding 90% of the issuer's total number of issued shares excluding treasury shares, thus causing the percentage of an issuer's total number of issued shares excluding treasury shares held in public hands to fall below 10%, the SGX-ST will suspend trading of the listed securities of the issuer only at the close of the take-over offer.

(b) A Shares Chain Offer

Pursuant to the Securities Laws and the Listing Rules of SSE (《上海证券交易所股票上市规则》) (the "**SSE Listing Rules**") (considering that the total equity of the listed company is above RMB400 million) if the public shareholding in the Company is less than 10% of the outstanding Shares upon expiry of the A Shares Chain Offer period, there is a risk that the Company may not be able to maintain its listing status on the SSE due to failure to satisfy the public floating requirements.

8.2 Compulsory Acquisition

The Company is incorporated in the PRC, and the Purchaser and/or the Offeror have no rights of compulsory acquisition under the laws of the PRC.

8.3 Offeror's and Purchaser's Intentions

(a) S Shares Chain Offer

It is the current intention of the Offeror to maintain the listing status of the S Shares of the Company on the Main Board of the SGX-ST. However, in the event that the Company does not meet the Free Float Requirement at the close of the Chain Offers, the Offeror reserves the right to re-evaluate its position, depending on, *inter alia*, the ultimate level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.

(b) A Shares Chain Offer

Pursuant to Clauses 12.13, 12.14, 12.15, 13.2.1(7), 14.1.1(8), 14.3.1(10) and 14.3.1(17) of the SSE Listing Rules regarding the public float requirements, if the public float requirements are not satisfied on the part of a listed company as a result of the fulfilment of the general offer obligations of the acquirer that does not target delisting, a plan for settling the public float non-compliance may be proposed within five (5) trading days. If the SSE agrees to the plan, the

shares of the listed company will be marked as having delisting risk. If there is no plan submitted within the prescribed period or SSE does not agree to the plan or the public float requirements are not satisfied within six (6) months from marking of having delisting risk, the trading of shares of the listed company will be suspended by SSE. If the public float requirements are still not satisfied within six (6) months from the suspension of trading or an application for resumption of share trading is not submitted within five (5) trading days from the date on which the public float requirements are satisfied or otherwise within a prescribed period, the shares of the listed company will be delisted.

If the A Shares are marked as having delisting risk, suspended from trading or delisted, the holders of A Shares may suffer loss and the holders of A Shares are reminded that there may be such risk. If the public float requirements are no longer satisfied as a result of the Chain Offers, the Purchaser will, as an indirect shareholder of the Company, actively exercise its voting rights or otherwise propose or endorse other solutions in line with laws, regulations and articles of association of the Company to procure that the Company will propose and implement a solution for maintenance of its listing status. If the Company is ultimately delisted, the Purchaser will, via proper arrangements, procure that the shareholders holding the balance A Shares will be able to sell their A Shares to the Purchaser at the A Shares Offer Price.

9. FINANCIAL RESOURCES

9.1 S Shares Chain Offer

The financial resources confirmation to be given pursuant to Rule 3.5 of the Code in respect of the S Shares Chain Offer will be provided by Bank of China Limited, Singapore Branch in the Formal Offer Announcement.

9.2 A Shares Chain Offer

Based on the A Shares Offer Price, the maximum amount of funds required for the A Shares Chain Offer will be RMB4,183,418,712.64. As the acquirer of the A Shares pursuant to the A Shares Chain Offer, the Purchaser has submitted a bank letter of guarantee issued by the Shenzhen branch of the Shanghai Pudong Development Bank Co., Ltd. to the China Securities Depository and Clearing Corporation Limited Shanghai branch, covering the maximum amount required, as the guarantee for the A Shares Chain Offer.

The funds required for the A Shares Chain Offer will be funded entirely by internal resources and funds raised by the Purchaser without any funds directly or indirectly from the Company or its affiliates, nor are there any funds raised by pledging the shares to be acquired in favour of any financial institutions. The Purchaser covenants that it has the necessary capacity to perform the A Shares Chain Offer. Upon expiry of the A Shares Chain Offer period, the Purchaser will accept the pre-accepted A Shares as kept by China Securities Depository and Clearing Corporation Limited Shanghai branch and acquire such A Shares according to the conditions of the A Shares Chain Offer.

10. DISCLOSURE OF HOLDINGS IN COMPANY SECURITIES

10.1 Shareholdings

Save as disclosed in this Announcement, immediately prior to the making of this Announcement, based on the latest information available to the Offeror, none of (a) the Offeror and its directors; (b) the Purchaser and its directors; (c) TPH and its directors; and (d) the Joint Singapore Financial Advisers (collectively, the "**Relevant Persons**") owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options or derivatives in respect of the Shares or securities (collectively, the "**Company Securities**"). As disclosed in paragraph 1, TPH holds a direct interest in 325,855,528 A Shares and an indirect interest, through the Offeror, in 5,265,000 S Shares, representing in aggregate approximately 42.8% of the total Shares.

10.2 Other Arrangements

Immediately prior to the making of this Announcement and based on the latest information available to the Offeror, none of the Relevant Persons has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Company Securities which might be material to the Chain Offers;
- (b) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (c) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (d) lent any Company Securities to another person.

10.3 No Irrevocable Commitment

Immediately prior to the making of this Announcement and based on the latest information available to the Offeror, none of the Relevant Persons has received any irrevocable commitment from any party to accept the Chain Offers.

10.4 Further Enquiries

In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties (save for the Relevant Persons) who are or may be presumed to be acting in concert with the Offeror in connection with the Chain Offers. Similarly, the Joint Singapore Financial Advisers have not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with them in connection with the Chain Offers. Further enquiries will be made of such persons after the Announcement Date and the relevant disclosures, if any, will be made in due course and in the Formal Offer Announcement and formal offer documents (the "**Offer Documents**").

11. OVERSEAS SHAREHOLDERS

11.1 Overseas Jurisdictions

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Chain Offers will be made solely by the Offer Documents and the relevant form(s) of acceptance accompanying the Offer Documents, which will contain the full terms and conditions of the Chain Offers, including details of how the Chain Offers may be accepted. For the avoidance of doubt, the Chain Offers shall be open to all Shareholders holding Shares, including those to whom the Offer Documents and relevant form(s) of acceptance may not be sent.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Chain Offers are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Chain Offers would violate the law of that jurisdiction (a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Chain Offers will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Chain Offers will not be capable of acceptance by any such use, means, instrumentality or facilities.

11.2 Shareholders outside Singapore

The availability of the S Share Offer to shareholders holding S Shares whose addresses are outside Singapore as shown in the register of members of the Company or in the records of The Central Depository (Pte) Limited (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions. Further details in relation to Overseas Shareholders will be contained in the Offer Documents.

The Offeror and the Joint Singapore Financial Advisers each reserves the right to notify any matter, including the fact that the S Shares Offer has been made, to any or all shareholders holding S Shares who are not resident in Singapore by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any

failure by any shareholder holding S Shares to receive or see such announcement, notice or advertisement.

12. CHAIN OFFER PERIODS

12.1 S Shares Chain Offer

If and when the Chain Offers are made, the S Shares Chain Offer will be open for at least 30 days after the date of posting of the Offer Documents.

12.2 A Shares Chain Offer

The A Shares Chain Offer will be valid for 30 days, being 30 days from the date of the Formal Offer Announcement. Within the last three (3) trading days before expiry of the A Shares Chain Offer period, the pre-accepted A Shares Chain Offer cannot be withdrawn. During the A Shares Chain Offer period, Shareholders may check the number of pre-accepted A Shares and withdrawal thereof up to the latest trading day on the website of SSE (<http://www.sse.com.cn>).

13. DIRECTORS' RESPONSIBILITY STATEMENT

13.1 The Offeror and TPH

The directors of the Offeror and TPH (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Company, the Purchaser and the A Shares Offer) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company or Purchaser, the sole responsibility of the directors of the Offeror and TPH has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Offeror and TPH jointly and severally accept responsibility accordingly.

13.2 The Purchaser

The directors of the Purchaser (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Company, the Offeror, TPH and the S Shares Offer) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the Offeror or TPH, the sole responsibility of the directors of the Purchaser has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Purchaser jointly and severally accept responsibility accordingly.

Issued by

DBS BANK LTD.

**BANK OF CHINA LIMITED, SINGAPORE
BRANCH**

For and on behalf of

TIANJIN PHARMACEUTICAL (SINGAPORE) INTERNATIONAL INVESTMENT PTE. LTD.

20 December 2020

Any inquiries relating to this Announcement or the Chain Offers should be directed during office hours to:

**DBS Bank Ltd.
Strategic Advisory**

Tel: (65) 6682 8999

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the Offeror, TPH and/or the Purchaser regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Offeror, TPH, the Purchaser and/or DBS Bank do not undertake any obligation to update publicly or revise any forward-looking statements.

APPENDIX

ADDITIONAL INFORMATION ON THE PURCHASER AND THE A SHARES CHAIN OFFER

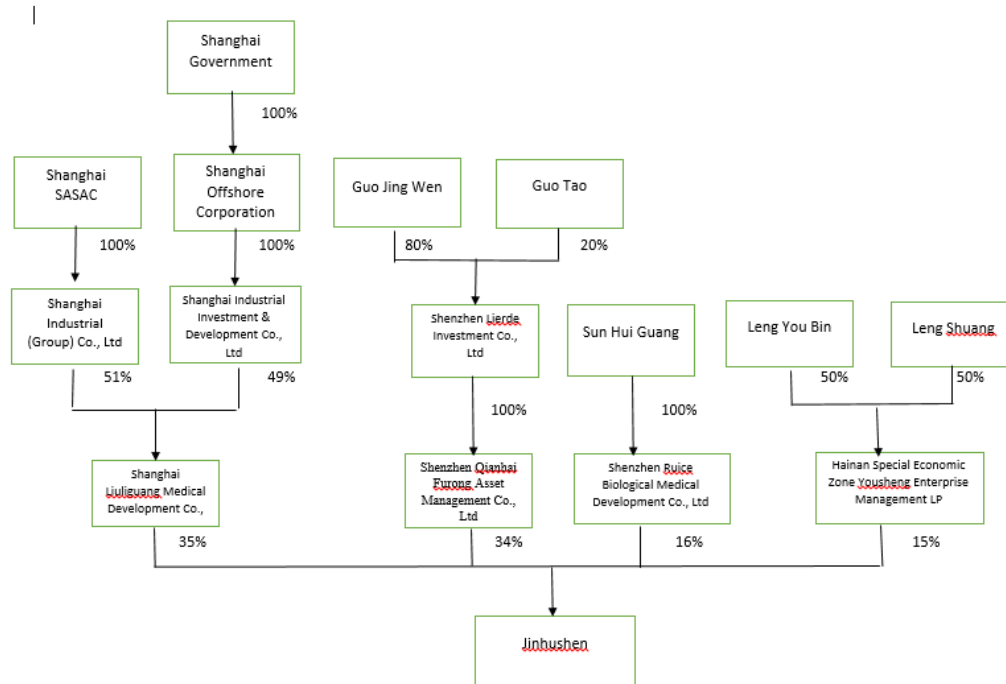
1. Basic Information of the Purchaser

Name	Jinhushen Biological Medical Science and Technology Co., Ltd
Uniform social credit No.	91120103MA075MN31R
Registered capital	RMB5 billion
Date of incorporation	21 October 2020
Legal representative	XU Bo
Registered address	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin
Main business address	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin
Postcode	300202
Business scope	General items: technical R&D of biological and chemical products; technical service, technical development, technical consultancy, technical exchange, technology transfer and promotion; category 2 medical device sales; sales of pharmaceutical equipment; manufacturing pharmaceutical equipment; international freight agency; domestic freight agency; general goods warehousing (excluding dangerous chemical products subject to separate approvals); non-residential property leasing; general social and economical consultancy; management for self-invested assets; self-funded investment; (operation based on business license save for items where separate permits are required) Items subject to separate permits: manufacturing of drug; distribution of drug; retail of drug; sales of chemical products which may be used for narcotics; manufacturing category 3 medical device; manufacturing of category 2 medical device; sales of category 3 medical device; various construction works; import and export of goods and technology (separate permits to be obtained if necessary)

2. The shareholding chart of the Purchaser

(a) The shareholding chart of the Purchaser

As of the Announcement Date, the shareholding chart of Jinhushen Biological Medical Science and Technology Co., Ltd is as follows:



(b) Information of controlling shareholders and actual controller

The Purchaser does not have any controlling shareholder. Based on the Purchaser's constitution, all matters shall require the majority approval of the shareholders, with certain major decisions being subject to 2/3 majority approval of the shareholders. Accordingly, no shareholder can control the decision making of the shareholders meeting on its own.

Each of the shareholders of the Purchaser has confirmed and undertaken that it will exercise its rights and obligations as a shareholder of the Purchaser in accordance with the constitution. Each shareholder and its nominated director will exercise their rights independently in accordance with its internal protocol. None of the shareholders are holding any shares of the Purchaser on behalf of another shareholder and there is no arrangement or agreement to act in concert and/or other benefit arrangement between the shareholders.

The board of directors of the Purchaser shall comprise six (6) directors. Each of Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司) and Shenzhen Qianhai Furong Asset Management Co., Ltd (深圳市前海富荣资产管理 有限公司) are entitled to nominate two (2) directors to the board of directors of the Purchaser. Each of Shenzhen Ruice Biological Medical Development Co., Ltd (深圳市 瑞测生物医药发展有限公司) and Hainan Special Economic Zone Yousheng Enterprise Management Limited Partnership (海南经济特区友盛企业管理合伙企业 (有限合伙)) are entitled to nominate one (1) director to the board of directors of the Purchaser. No single shareholder can nominate or control more than half of the board of directors of the Purchaser. All decisions of the board of directors of the Purchaser shall require the approval of the majority of the board of directors, with certain major decisions being subject to 2/3 majority approval of the directors. Each director shall have one (1) vote

and the directors nominated by Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司) shall have a veto right over matters requiring 2/3 majority approval of the directors. No single shareholder is able to control or determine the decisions of the board of directors via their nominees on the board.

In summary, no single shareholder of the Purchaser is able to control the decision-making of the Purchaser at the board and/or shareholder level. Accordingly, the Purchaser does not have a controlling shareholder or actual controller.

Upon completion of the Acquisition, the Purchaser and the Vendor will be the joint shareholders of TPH and will also re-constitute the board of directors of TPH. The Purchaser will exercise its rights in the Company via TPH. This is not expected to have an adverse impact on the governance of the Company.

(c) The main business and financial positions of the Purchaser

The Purchaser is a special purpose vehicle incorporated by its shareholders solely for the purpose of acquiring certain shares in TPH based on strategic concerns. It may be used as a platform for management and operation of TPH by the shareholders. The Purchaser was incorporated on 21 October 2020 (i.e. less than 1 year) without any substantial operation and there is no financial data available.

(d) Information of main officers of the Purchaser

As at the Announcement Date, the main officers of the Purchaser are as follows:

Name	Position	Nationality	Residence	Overseas residence rights
Xu Bo	Director	Chinese	China	No
Feng Jun	Director	Chinese	China	No
Luo Xuan	Director	Hong Kong	Hong Kong	No
Guo Min	Director	Hong Kong	Hong Kong	No
Guo Tao	Director, CFO	Chinese	China	No
Zhang Hai Chen	Director	Chinese	China	No
Chen Jin Zhu	General manager	Chinese	China	No
Wang Li Bin	Supervisor	Chinese	China	No
Jiang Kai	Supervisor	Chinese	China	No

As at the Announcement Date, the above officers have not been administratively or criminally penalised (except those not related to the securities market), nor have they been involved in any material civil litigations or arbitration involving economic disputes in the past 5 years.

- (e) The shares of listed companies and financial institutions owned by the Purchaser

As at the Announcement Date, the Purchaser does not directly or indirectly own any shares in other listed company or financial institutions, whether incorporated in the PRC or otherwise.

- (f) Punishment, litigations and arbitrations involving the Purchaser during the past 5 years

As at the Announcement Date, the Purchaser has not been administratively or criminally penalised (except those not related to the securities market), nor is it involved in any material civil litigations or arbitration involving economic disputes. In addition, based on the search results from PRC Enforcement Information Network, the Purchaser is not listed as a target of enforcement nor has it been in default of any judgement.

3. Share acquisition and disposal plans during the next 12 months

As at the Announcement Date, the Purchaser has no plans to buy additional Shares or otherwise dispose of Shares within the next 12 months other than the Chain Offers.

4. The Purchaser does not own any other interest in the Company save as disclosed in this Announcement.

5. This Announcement by the Purchaser has been properly authorised and approved and this Announcement will (a) not be in conflict with or (b) breach any terms and conditions of its articles of association or internal regulations.

6. Save as disclosed in this Announcement, the Purchaser hereby warrants as follows:

- (a) As at the Announcement Date, the Purchaser or its affiliates have not taken nor proposed to take any actions which may have a material impact on the A Shares Chain Offer nor are there any facts which may have a material impact on the A Shares Chain Offer.

- (b) There is no other information which must be disclosed by the Purchaser to avoid any misunderstanding of this Announcement.

- (c) There is no information which should be disclosed by the Purchaser and which has a material impact on the decision making by the Shareholders as to whether to accept the offer or not.

- (d) There is no other information which should be disclosed by the Purchaser as per requirements from the China Securities Regulatory Commission ("**CSRC**") and SSE.

- (e) None of the following circumstances as prescribed under the PRC Acquisition Rules and other regulations is applicable to the Purchaser:
- (i) the Purchaser has a material debt which remains unpaid as of and after due date;
 - (ii) there is a material non-compliance or violation of applicable laws and regulations during the last 3 years on the part of the Purchaser;
 - (iii) there is a material discredit event regarding securities market during the past 3 years on the part of the Purchaser; and
 - (iv) other events as prescribed by CSRC, applicable rules and regulations which disqualified the Purchaser from acquiring any listed company.

7. Additional information on the A Shares Chain Offer

- (a) As at the Announcement Date, the A Shares without selling restrictions (other than those owned by TPH) are as follows:

Share type	Offer price (RMB/share)	Proposed number of A Shares to be acquired	As a percentage of Shares issued by the Company
A Shares without selling restrictions	17.43	240,012,548	31.02%

In case of any dividend distribution, bonus share or conversion of capital reserve into Shares which may result in the change of share capital of the Company between this Announcement and the expiry of the A Shares Chain Offer period, the number of A Shares to be acquired via the A Shares Chain Offer and the A Shares Offer Price will be adjusted accordingly.

- (b) According to the PRC Securities Law and the PRC Acquisition Rules, the offer price for the A Shares and its basis for calculation are as follows:
- (i) the highest price paid by the Purchaser for acquiring Shares during the 6 months before this Announcement:

As a result of the mixed ownership reform by TPH, the Vendor publicly listed its 67% shares in TPH on the Tianjin Property Rights Exchange. Based on the listing results, the Purchaser is confirmed to be the purchaser of the aforesaid shares. The Purchaser and the Vendor of the aforesaid shares signed the SPA today. Based on the transaction consideration for the TPH shares, the value of the A Shares is fixed at RMB14.88 per A Share according to the valuation of

the A Shares as owned by TPH after factoring in certain premium. Therefore, the price paid by the Purchaser is RMB14.88 per A Share for indirect acquisition of A Shares; and

- (ii) the weighted average mathematical transaction prices of the A Shares during the 30 trading days before this Announcement:

During the 30 trading days before this Announcement, the weighted average mathematical transaction prices of the A Shares is RMB16.69 per A Share.

After a holistic assessment and taking into account the SIC's rulings in relation to Note 3 on Rules 14.3, Note 1 on Rule 18 of the Code, the Purchaser fixed the A Shares Offer Price to be RMB17.43 per A Share.