

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

RECEIPT OF NOTICE IN RELATION TO THE PROPOSED TRANSFER OF ENTIRE EQUITY INTEREST OF THE INDIRECT SHAREHOLDER OF THE COMPANY FOR NIL CONSIDERATION

The board of directors (the "Board") and every individual director of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "Company") 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.

On 30 October 2020, the Company received a notice from its controlling shareholder, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("TPH"), and a "Letter of Notice on the Proposed Transfer of Equity Interest by the Shareholder of Tianjin Bohai State-owned Assets Administration Co., Ltd. for Nil Consideration" (关于渤海国资控股股东股权无偿划转的告知函) (the "**Letter**") issued by TPH's 100% shareholder, Tianjin Bohai State-owned Assets Administration Co., Ltd. (天津渤海国有资产经营管理有限公司) to TPH. As at the date of this announcement, TPH holds approximately 42.80% of the total issued share capital of the Company. The details of the Letter are set out below.

According to the "Notice of State-owned Assets Supervision and Administration Commission of Tianjin People's Government on the Proposed Transfer of Equity Interest of Tianjin Tsinlien Investment Holding Co., Ltd. to TEDA Investment Holding Co., Ltd. for Nil Consideration" (天津市人民政府国有资产监督管理委员会关于将天津津联投资控股有限公司无偿划转给天津泰达投资控股有限公司的通知) issued by the State-owned Assets Supervision and Administration Commission of Tianjin People's Government (天津市人民政府国有资产监督管理委员会) ("**Tianjin SASAC**") on 29 October 2020, for the purposes of further implementation of the three-year action plan for the reform of state-owned enterprises, developing better and stronger state-owned capital, creating a beautiful business card for the reform and development of Tianjin state-owned assets, and enhancing the comprehensive strength of TEDA Investment Holding Co., Ltd. (天津泰达投资控股有限公司) ("**TEDA Holding**") through various measures, Tianjin SASAC has decided to transfer the entire equity interest of Tianjin Tsinlien Investment Holding Co., Ltd. (天津津联投资控股有限公司) ("**Tsinlien Investment**") from Tianjin SASAC to TEDA Holding for nil consideration (the "**Proposed Transfer**"). The benchmark date for the Proposed Transfer is 31 December 2019.

A. INFORMATION ON THE PARTIES

1. The transferee

Name of company : TEDA Investment Holding Co., Ltd. (天津泰达投资控股有限公司)
Registered capital : RMB10,076,950,000
Legal representative : Wang Zhiyong (王志勇)
Date of incorporation : 28 May 1985

Registered address : 1201, No.9 Shengda Street, Tianjin Economic-Technological Development Area

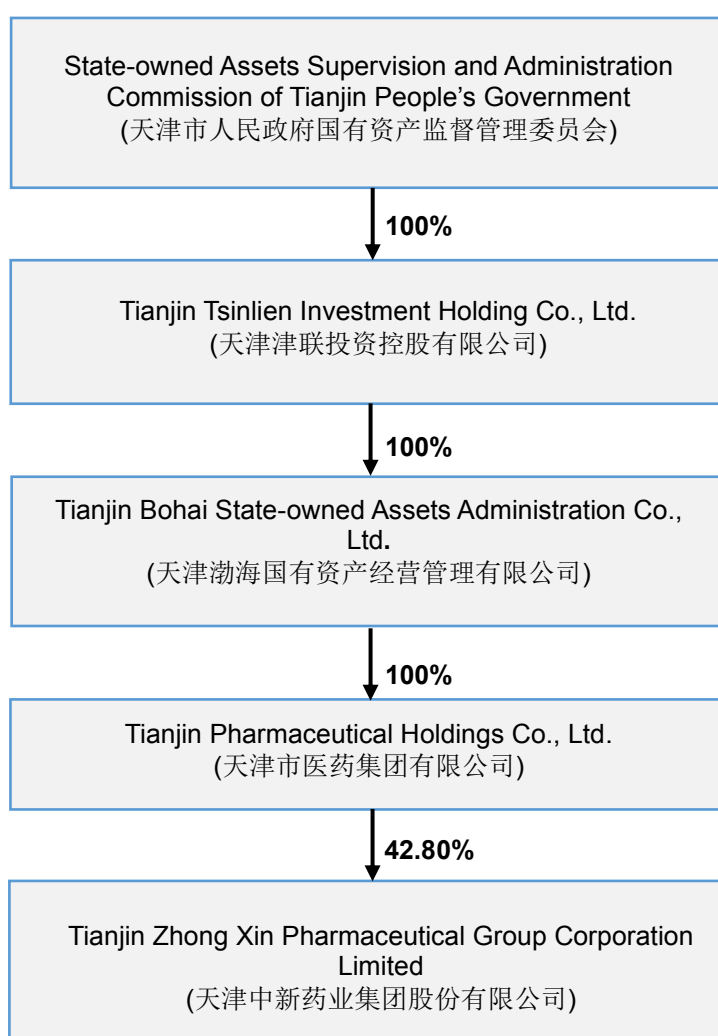
Business scope : Investment with self-owned funds in infrastructure development and construction, finance, insurance, securities, real estate, transportation, production and supply of electricity, gas, steam and water, construction, warehousing, tourism, catering, hotel, entertainment, advertising and leasing services within the Tianjin Economic-Technological Development Area; Development, consultation, service and transfer of high-tech; House leasing; Infrastructure construction; Land development and rectification; Automobile leasing and equipment leasing (excluding finance leasing). (In the case of items which require approval pursuant to laws, activities shall be carried out only upon approval by the relevant authorities).

2. The transferor

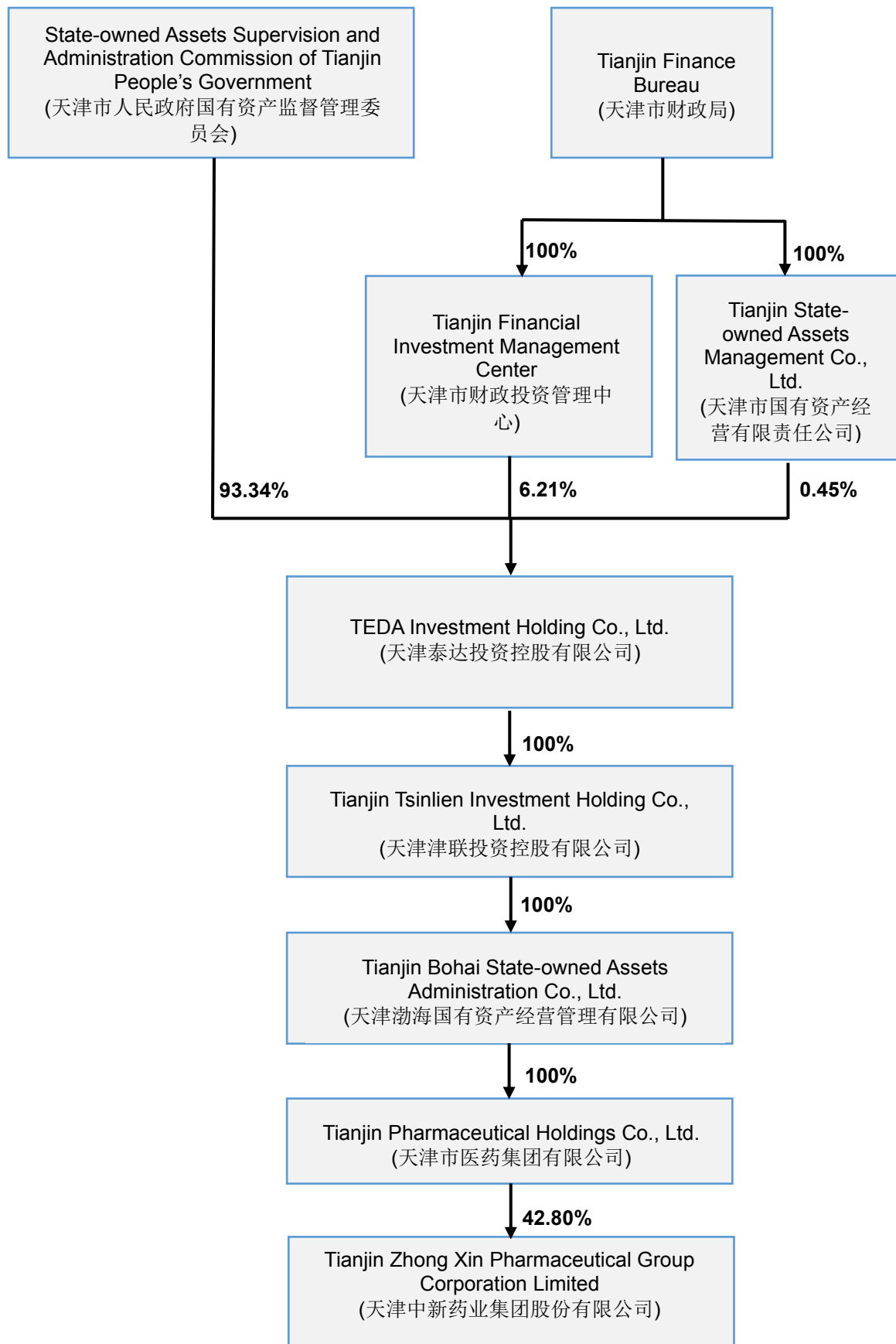
The transferor is Tianjin SASAC.

B. IMPACT ON THE COMPANY

1. Shareholding structure of the Company prior to the Proposed Transfer



2. Shareholding structure of the Company following the Proposed Transfer



Upon the completion of the Proposed Transfer, TEDA Holding will become the indirect shareholder of the Company, and TPH remains the controlling shareholder of the Company. Notwithstanding the Proposed Transfer, Tianjin SASAC will continue to be the ultimate shareholder of the Company.

C. SUBSEQUENT MATTERS

1. The Proposed Transfer constitutes one of the circumstance where a transferee is exempt from making a general offer pursuant to Article 63 of the “*Administrative Measures for the Takeover of Listed Companies*” (上市公司收购管理办法) (2020 Revision) (the “**Administrative Measures**”). Under Article 63, Paragraph 1, Item (1) of the Administrative Measures, “where any transfer, change or merger of state-owned assets for nil consideration approved by the relevant government or state-owned assets administration department which results in the proportion of shares in which an investor owns the equities in a listed company to the issued shares of the said company exceed 30%, such investor is exempt from making a general offer”.
2. TEDA Holding and/or the Company will comply with any obligations that they may have under Singapore laws and regulations in relation to the Proposed Transfer.
3. The Company will monitor the progress of the Proposed Transfer closely, and will make timely disclosures in accordance with the requirements of relevant laws and regulations.
4. The media platforms designated by the Company for information disclosure are the China Securities Journal (中国证券报), Shanghai Securities Journal (上海证券报), the website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Singapore Exchange Securities Trading Limited (www.sgx.com). All information in relation to the Proposed Transfer disclosed by the Company shall be subject to the official announcement(s) published on the aforesaid designated media platforms.

Shareholders and potential investors of the Company are advised to exercise caution in trading the shares in the Company.

By Order of the Board

Jiao Yan
Secretary to the Board of Directors
30 October 2020