

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

THE PROPOSED ENTRY INTO THE FINANCIAL SERVICES AGREEMENT BETWEEN THE COMPANY AND TIANJIN PHARMACEUTICAL GROUP FINANCE CO., LTD. (天津医药集团财务有限公司) AS AN INTERESTED PERSON TRANSACTION

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.

Key Highlights of the Proposed TPGF IPT:

Unless otherwise defined, all capitalised terms used below shall have the same meanings ascribed to them in this announcement.

- The Company proposes to enter into the Agreement 2026 with TPGF, pursuant to which TPGF shall provide the Company with certain financial services, including settlement and intermediary services, deposit services and credit business services (such as providing loans to the Company) for a period of three (3) years.

- Summary of Key Terms**

Maximum daily balance in the deposit account with TPGF (including accrued interest)	RMB1,500 million
Maximum daily balance of credit facilities granted to the Company (excluding interest)	RMB1,500 million
Term	Three (3) years from 1 July 2026 to 30 June 2029
Deposit interest rate range (%):	0.00 - 3.50
Loan interest rate range (%):	0.00 - 4.00

- The proposed entry into the Agreement 2026 between the Company and TPGF constitutes an interested person transaction under Chapter 9 of the Listing Manual.
- The proposed entry into the Agreement 2026 between the Company and TPGF as an interested person transaction remains subject to approval by Shareholders at a general meeting.

1. OVERVIEW

1.1 Prior Agreements

The Company first entered into a financial services agreement with Tianjin Pharmaceutical Group Finance Co., Ltd. (天津医药集团财务有限公司) (“**TPGF**”) in 2016, pursuant to which TPGF provides the Company with certain financial services, including settlement and intermediary services, deposit services and credit business services (such as providing loans to the Company). Save for the first financial services agreement, which was entered into on 30 December 2016 for a term of six (6) months, the financial services arrangements between the Company and TPGF have thereafter been renewed on a triennial basis, with each renewal superseding the preceding agreement. Specifically, the financial services agreements entered into on 1 July 2017, 1 July 2020 and 1 July 2023 (collectively, the “**Prior Agreements**”) were each entered into for a term of three (3) years.

The terms of the Prior Agreements were largely consistent in terms of the scope of financial services provided and the pricing policies and the basis thereof. Save for the first financial services agreement in 2016, the entry into the Prior Agreements and the transactions contemplated thereunder were approved by the shareholders of the Company (the “**Shareholders**”) in accordance with the requirements of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Listing Manual**”).

The most recent financial services agreement entered into between the Company and TPGF is the agreement entered into on 1 July 2023 for a term of three (3) years expiring on 30 June 2026 (the “**Agreement 2023**”),¹ which was approved by the independent Shareholders² at the annual general meeting of the Company held on 15 May 2023 (the “**2023 AGM**”).

1.2 Agreement 2026

As the term of the Agreement 2023 will expire on 30 June 2026, the Company proposes to renew its financial services arrangement with TPGF by entering into a new financial services agreement on substantially the same terms as those set out in the Agreement 2023, save for the revisions to the pricing policies and the basis thereof, as further described in paragraph 5.7 of this announcement (the “**Agreement 2026**”), pursuant to which TPGF shall provide the Company with the financial services described in paragraph 5.3 of this announcement (the “**Financial Services**”) for a period of three (3) years from 1 July 2026 to 30 June 2029 (the “**Term**”). For the avoidance of doubt, the scope of the Financial Services proposed to be provided under the Agreement 2026 remains substantially similar to that under the Agreement 2023.

As at the date of this announcement, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) (“**TPH**”), the controlling shareholder³ of the Company, holds 50% equity interest in

¹ For further details of the Agreement 2023, please refer to the [annexture dated 28 April 2023](#) to the notice of the 2023 AGM and the [Company's announcement dated 15 May 2023](#) in relation to the poll results of the 2023 AGM.

² In this announcement, “**independent Shareholders**” refer to Shareholders who are not TPH and its associates.

³ 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.

TPGF. Accordingly, TPGF is regarded as an associate of TPH and is therefore considered an “interested person” of the Company for the purposes of Chapter 9 of the Listing Manual. As such, the entry into the Agreement 2026 between TPGF and the Company constitutes an interested person transaction under Chapter 9 of the Listing Manual (the “**Proposed TPGF IPT**”). As the value of the Proposed TPGF IPT for the Term is an aggregate of **RMB1,695 million**,⁴ representing approximately 24.17% of the Group’s latest audited net tangible assets (“**NTA**”) of RMB7,013,306,000 as at 31 December 2025, it is subject to the approval of the independent Shareholders pursuant to Rule 906(1) of the Listing Manual. Further details are set out in paragraph 9 of this announcement.

In addition, as TPGF is a controlled subsidiary (as defined under the laws of the People’s Republic of China (“**PRC**”)) of TPH, the controlling shareholder of the Company, TPGF is regarded as an associate legal person of the Company under the Listing Rules of the Shanghai Stock Exchange (the “**SSE**”) (the “**SSE Listing Rules**”) and the *Self-Regulatory Guidelines No. 5 of the Shanghai Stock Exchange for Listed Companies —Transactions and Related Party Transactions* (《上海证券交易所上市公司自律监管指引第5号—交易与关联交易》). Accordingly, the Proposed TPGF IPT also constitutes a related party transaction under PRC laws. For the avoidance of doubt, the Proposed TPGF IPT does not constitute a material asset reorganisation of the Company under the *Measures for the Administration of Material Asset Reorganisation of Listed Companies* (《上市公司重大资产重组管理办法》) promulgated by the China Securities Regulatory Commission (中国证券监督管理委员会) (the “**CSRC**”).

Subject to the approval of the independent Shareholders for the Proposed TPGF IPT being obtained at the 2026 AGM (as defined below), the Agreement 2023 will be superseded by the Agreement 2026 with effect from 1 July 2026.

2. INFORMATION ON TPGF

2.1 Corporate Information

Name of Enterprise	: Tianjin Pharmaceutical Group Finance Co., Ltd. (天津医药集团财务有限公司)
Nature of Enterprise	: Limited liability company (有限责任公司)
Uniform Social Credit No.	: 91120118MA05L0R67F
Registered Address	: 3-2-501/502, 3-3-501 Ronghe Square, No. 168 Fourth West Road, Tianjin Pilot Free-Trade Zone (Airport Economic Area) (天津自贸试验区 (空港经济区) 西四道168号融和广场3-2-501/502; 3-3-501)

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.

⁴ RMB1,695 million represents the aggregate of:

- (i) RMB15 million, being the maximum service fees payable by the Company for three (3) years;
- (ii) RMB180 million, being the estimated maximum interest payable on the credit facilities granted to the Company for three (3) years; and
- (iii) RMB1,500 million, being the maximum daily balance in the Company’s deposit account with TPGF (including accrued interest).

Legal Representative	:	Mr. Xing Jianhua (幸建华)
Registered Capital	:	RMB1,000 million
Date of Incorporation	:	14 September 2016
Board of Directors	:	Mr. Xing Jianhua (幸建华) Mr. Ma Jian (马健) Ms. Niu Shengfang (牛胜芳) Mr. Zhu Liyan (朱立延) Ms. Xie Xi (谢希)
Business Scope	:	(a) absorbing deposits from the member entities of TPH group ⁵ (吸收成员单位存款); (b) providing loans to the member entities of the TPH group (办理成员单位贷款); (c) conducting discounting of negotiable instruments for the member entities of the TPH group (办理成员单位票据贴现); (d) providing fund settlement, receipt and payment services for the member entities of the TPH group (办理成员单位资金结算与收付); (e) providing entrusted loans, bond underwriting, non-financing guarantees, financial advisory services, credit attestation services, and consultancy and agency services to member entities of the TPH group (提供成员单位委托贷款、债券承销、非融资性保函、财务顾问、信用鉴证及咨询代理业务); (f) engaging in inter-bank borrowings (从事同业拆借); (g) handling acceptance of negotiable instruments for the member entities of the TPH group (办理成员单位票据承兑); and (h) engaging in fixed income securities investment (从事固定收益类有价证券投资)
Relationship between TPGF and the Company	:	☒ Under the common control of the same controller as the listed company. Specifically, TPGF is a controlled subsidiary (as defined under PRC laws) of TPH ☐ A controlled subsidiary of the listed company ☐ Others
De facto controller (as defined under PRC laws) of TPGF	:	None

⁵ In this announcement, “TPH group” refers to TPH and its subsidiaries and associated companies.

As at the date of this announcement, the shareholdings in TPGF are as follows:

No.	Name of Shareholder	Equity Contribution (RMB)	Shareholding Percentage (%)
1.	TPH	500 million	50%
2.	The Company	300 million	30%
3.	Tianjin Yaoye Group Co., Ltd. (天津药业集团有限公司)	150 million	15%
4.	Tianjin Jin Yi Investment Guarantee Co., Ltd. (天津金益投资担保有限责任公司)	50 million	5%
Total		1,000 million	100%

In accordance with the provisions of the Company Law of the PRC (《中华人民共和国公司法》) and the articles of association of TPGF, the Company has nominated Mr. Ma Jian (马健), the Chief Financial Officer of the Company as at the date of this announcement, as a director of TPGF. The Company believes that such nomination by shareholder(s) to the board of directors of a finance company is common practice in the finance industry in the PRC.

In addition, as at the date of this announcement:

- (a) Mr. Xing Jianhua, a Non-Executive and Non-Independent Director of the Company, is also a director and the legal representative of TPGF, and a member of the senior management of TPH;
- (b) Mr. Guo Min, an Executive Director of the Company, is also a director of TPH;
- (c) Ms. Wang Lei, the Chairman and an Executive Director of the Company, is also the legal representative and a member of the senior management of TPH; and
- (d) Ms. Mao Weiwen, a Non-Executive and Non-Independent Director, is also a member of the senior management of TPH.

Save as disclosed above, there are no common members on the boards or in the management of the Company, TPGF and TPH.

For details of the review procedures in relation to the Proposed TPGF IPT, including the basis on which the Company considers that the independence of the Proposed TPGF IPT will not be compromised notwithstanding the above appointments or positions, please refer to paragraph 6 of this announcement.

2.2 Key Financial Information

The key financial information of TPGF is set out below:

Items	As at 31 December 2025 (audited) (RMB'000)	As at 28 February 2026 (unaudited) (RMB'000)
Total assets	4,615,520.8	4,339,077.1
Total liabilities	3,471,842.6	3,167,269.9
Net assets	1,143,678.2	1,171,807.2

Items	January to December 2025 (audited) (RMB'000)	January to February 2026 (unaudited) (RMB'000)
Revenue	65,751.6	8,478.6 ⁽¹⁾
Profit before tax	29,474.6	37,003.0 ⁽¹⁾
Net profit/(loss)	24,191.1	28,128.9 ⁽¹⁾

Note:

- (1) For the avoidance of doubt, the profit before tax and net profit for the period from January to February 2026 were higher than the revenue mainly due to a reversal of expected credit loss provisions of approximately RMB31.73 million recorded by TPGF. Such reversal arose from a reduction in the loan balance of approximately RMB1,058 million as at 31 January 2026 compared to 31 December 2025, and was recognised in profit or loss but did not constitute revenue.

3. STATUS OF THE EXISTING AGREEMENT (IF ANY)

☐ First-time Agreement

☒ Renewal/Continuing Agreement

	1 January 2025 to 31 December 2025 (RMB'000)	1 January 2026 to the date of this Announcement (RMB'000)
Closing balance of deposits accepted by TPGF	3,441,510.4	3,125,960.5
Closing balance of loans granted by TPGF	2,535,154.4	1,483,400.0
Maximum deposit limit of the Company with TPGF	1,500,000.0	1,500,000.0
Opening balance of deposits placed by the Company with TPGF	1,428,960.8	1,401,904.2
Closing balance of deposits placed by the Company with TPGF	1,401,904.2	1,169,162.2
Maximum deposit balance of the Company with TPGF	1,477,254.7	1,469,780.5
Range of deposit interest rates applicable to the Company's deposits with TPGF (%) ⁶	0.42 - 2.37	0.42 - 2.37
Maximum loan limit of the Company from TPGF	1,500,000.0	1,500,000.0

⁶ Interest rates are rounded to the nearest two (2) decimal places.

Opening balance of loans obtained by the Company from TPGF	0	0
Closing balance of loans obtained by the Company from TPGF	0	0
Maximum loan balance of the Company from TPGF	0	0
Range of loan interest rates applicable to the Company's loans from TPGF (%) ⁷	Not applicable, as no loan transactions occurred	Not applicable, as no loan transactions occurred

4. TOTAL AMOUNT OF FINANCIAL SERVICES TO BE PROVIDED UNDER THE AGREEMENT 2026

Under the Agreement 2026, the total amount of the Financial Services to be provided by TPGF to the Company for the Term shall not exceed **RMB3,195 million**, being the aggregate of the respective amounts set out in the table below. For ease of comparison, the corresponding amounts under the Agreement 2023 are also set out below:

Item	Agreement 2023	Agreement 2026
Maximum service fees ⁸ payable by the Company for the three (3)-year term	RMB15 million	RMB15 million
Maximum daily balance in the deposit account with TPGF (including accrued interest)	RMB1,500 million	RMB1,500 million
Maximum daily balance of credit facilities granted to the Company (excluding interest)	RMB1,500 million	RMB1,500 million
Estimated maximum interest payable on the credit facilities for the three (3)-year term	RMB157.5 million	RMB180 million
Total	RMB3,172.5 million	RMB3,195 million

The individual limits were arrived at based on the principles of legality, voluntariness and mutual benefit, taking into consideration the following factors:

- (a) the maximum service fees payable by the Company of up to RMB5 million per annum were determined based on the Company's needs for such banking services during the Term and the estimated costs and expenses that may be incurred by TPGF in providing those services;

⁷ *Ibid.*

⁸ "service fees" refer to the fees payable for the provision of financial services by TPGF to the Company, including account management fees, UKEY usage fees, settlement handling fees and inquiry fees. The foregoing service fees were waived by TPGF for the financial services provided under the Prior Agreements.

- (b) the maximum daily balance in the Company's deposit account with TPGF (including accrued interest) of up to RMB1,500 million (amounting to approximately 26.68% of the Company's current cash on hand of approximately RMB5,622 million as at 31 December 2025) was determined based on the average bank deposits made by the Company of approximately RMB5,200 million, after deducting restricted cash of approximately RMB49 million (being proceeds raised which can only be utilised in accordance with the requirements of the CSRC);
- (c) the maximum daily balance of credit facilities of up to RMB1,500 million (excluding interest) was in line with the maximum daily balance in the Company's deposit account with TPGF (including accrued interest) of RMB1,500 million;⁹ and
- (d) the estimated maximum interest payable on the credit facilities granted to the Company of up to RMB60 million per annum was determined based on an assumed full drawdown of RMB1,500 million and an estimated average interest rate of approximately 4% per annum.¹⁰ TPGF shall offer the Company preferential credit interest rates and fee rates, which shall not be higher than those obtainable by the Company from the six (6) major state-owned commercial banks in the PRC¹¹ for credit facilities of the same type and tenor.

5. MAIN TERMS OF THE AGREEMENT 2026

5.1 Principles of Cooperation

Each party is legally authorised to enter into the Agreement 2026 and has entered into the Agreement 2026 on a voluntary basis for its own commercial benefit.

5.2 Condition Precedent

⁹ For the avoidance of doubt, the maximum daily balance of credit facilities of up to RMB1,500 million (excluding interest) refers to the amount of outstanding loans extended to the Company on any day, which shall not exceed RMB1,500 million, and is different from the maximum daily balance in the Company's deposit account with TPGF (including accrued interest) of RMB1,500 million. As a non-bank financial institution approved by the NFRA (as defined below), Tianjin Office, the amount of loans that TPGF may provide is subject to regulatory constraints based on the size of its deposits and capital base. Accordingly, the maximum limit of credit facilities that may be granted is aligned with the maximum amount of funds that could be deposited with TPGF. Nevertheless, the granting of credit facilities by TPGF is not contingent upon the Company maintaining deposits with TPGF. For illustration purposes, if the Company does not have any funds deposited with TPGF on a particular day, TPGF would nonetheless be able to provide loans of up to RMB1,500 million to the Company, subject to liquidity availability.

¹⁰ For reference, as at the date of this announcement, the loan prime rate published by the National Inter-bank Funding Centre (全国银行间同业拆借中心) (as authorised by the PBOC (as defined below)) for a one (1)-year loan is 3%. The estimated maximum annual interest payable of up to RMB60 million is a cap and does not mean that interest will actually be charged at a loan interest rate of 4% per annum. In setting the foregoing cap, the potential interest rate movements over the next three (3) years have been taken into account. In the event that interest rates are rise such that the loan prime rate published by the National Inter-bank Funding Centre (全国银行间同业拆借中心) (as authorised by the PBOC) and/or the relevant market interest rate level exceeds 4% per annum over the next three (3) years, TPGF is expected, subject to compliance with the applicable interest rate policies and the requirements of the PBOC and the NFRA, to implement practicable measures to keep the average loan interest rate level within 4% per annum, so as to fulfil its core function of providing financial services to the member entities of the TPH group.

¹¹ The six (6) major state-owned commercial banks in the PRC are (i) Industrial and Commercial Bank of China Limited (中国工商银行), (ii) Agricultural Bank of China Limited (中国农业银行), (iii) Bank of China Limited (中国银行), (iv) China Construction Bank Corporation (中国建设银行), (v) Bank of Communications Co., Ltd. (中国交通银行), and (vi) Postal Savings Bank of China (中国邮政储蓄银行).

The Agreement 2026 is conditional upon all approvals being granted by or obtained from, *inter alia*, the independent Shareholders of the Company at a general meeting.

5.3 Financial Services

TPGF shall, within its business scope as approved by the National Financial Regulatory Administration (国家金融监督管理总局) (the “NFRA”),¹² provide the following financial services to the Company:

- (a) settlement and intermediary services (结算及中间业务服务), including, but not limited to, bills of exchange, collection with acceptance, entrusted collection, remittance services, receipt and payment settlement services, and agency collection and payment services. The Company shall open a settlement account with TPGF, and TPGF shall, in accordance with the Company's instructions, provide collection and payment services to the Company, as well as other ancillary services related to settlement services. The fees charged by TPGF for the provision of settlement and intermediary services to the Company shall not be higher than those charged by TPGF to other third parties for similar services during the same period. The aggregate service fees payable by the Company for such settlement and intermediary services shall not exceed RMB5 million per annum;
- (b) deposit services (存款服务), including, but not limited to, demand deposits, time deposits, negotiated deposits and call deposits. The Company shall open a deposit account with TPGF and, on a free deposit and withdrawal basis, place its funds into the deposit account maintained with TPGF. The maximum daily balance in the deposit account (including accrued interest) shall not exceed RMB1,500 million; and
- (c) credit business services (信贷业务), including, but not limited to, loan services such as working capital loans, fixed asset loans and project loans, as well as bill acceptance and bill discounting. Within the scope permitted under applicable PRC laws, and in accordance with the requirements of the NFRA, as well as TPGF's own operating principles and credit policies, TPGF shall use its best endeavours to support the business development of the Company, including by designing scientifically reasonable financing arrangements for the Company and providing loan services, bill discounting and other credit business services. The maximum daily balance of the credit facilities (excluding interest) to be provided by TPGF to the Company during the Term shall not exceed RMB1,500 million. The aggregate amount of interest payable on such credit facilities over any consecutive twelve (12)-month period shall not exceed RMB60 million, which shall be calculated on a cumulative basis for the period from 1 January to 31 December of each year.

5.4 Pricing Policies and Basis

- (a) In relation to the settlement and intermediary services (including fund settlement, bill acceptance and agency services) to be provided by TPGF to the Company, the pricing shall be determined with reference to prevailing market levels at the time such services are provided. TPGF shall offer the Company preferential fee rates, which shall not be higher than those offered by the six (6) major state-owned commercial banks in the PRC.

¹² Formerly known as the China Banking and Insurance Regulatory Commission (中国银行保险监督管理委员会).

- (b) In relation to the deposit services to be provided by TPGF to the Company, the deposit interest rates shall be determined in compliance with the relevant requirements of the People's Bank of China (the “PBOC”) and the National Market Interest Rate Pricing Self-Disciplinary Mechanism (全国市场利率定价自律机制),¹³ and shall not be lower than the interest rates offered by the six (6) major state-owned commercial banks in the PRC for deposits of the same type and tenor prevailing at the time the Company places such deposits.
- (c) In relation to the credit business services (including loans and bill discounting) to be provided by TPGF to the Company, the pricing shall be determined in accordance with the pricing methodologies prescribed by the PBOC, with reference to prevailing market interest rates at the time the Company intends to draw down funds under the credit facilities granted to the Company by TPGF. TPGF shall offer the Company preferential credit interest rates and fee rates, which shall not be higher than those obtainable by the Company from the six (6) major state-owned commercial banks in the PRC for credit facilities of the same type and tenor prevailing at the time the Company draws down funds.

For the purposes of the above comparison, references to the interest rates and fee rates offered by the six (6) major state-owned commercial banks in the PRC mean the generally applicable commercial interest rates and fee rates offered by such banks for products and services of the same type (and, where applicable, the same tenor/tier), and exclude any special interest rates or fee rates, such as policy loan interest rates or rates benefiting from government interest subsidies. For the avoidance of doubt, the audit committee of the Company (the “**Audit Committee**”) is entitled to reject the quotations provided by TPGF and engage other financial institutions to provide financial services to the Company, where it considers such engagement to be in the best interests of the Company and its minority Shareholders.

5.5 Principles of Financial Services

- (a) TPGF will, within its business scope as approved by the NFRA, provide the Financial Services to the Company and in accordance with the broad principles set out in paragraphs 5.1 and 5.5 of this announcement, as well as the terms of the Agreement 2026 described in paragraph 5 of this announcement. The specific terms and details of the Financial Services shall be set out in separate agreements¹⁴ to be entered into and approved by TPGF and the Company.

¹³ The National Market Interest Rate Pricing Self-Disciplinary Mechanism (全国市场利率定价自律机制), established on 24 September 2013, is a market-based self-disciplinary and coordination mechanism comprising financial institutions in the PRC. Subject to applicable PRC interest rate regulations, it facilitates self-discipline and coordination in relation to market interest rate pricing (including, amongst others, money market and credit market rates) set by financial institutions, with a view to promoting orderly market practices and fair competition.

¹⁴ This term is also contained in the Prior Agreements. For the provision of each financial service pursuant to the Agreement 2026, a specific contract needs to be entered into between TPGF and the Company, and the terms of such contract shall comply with applicable regulatory and market management requirements. For example, in relation to the opening of accounts, the parties will need to execute, *inter alia*, an “Application for Opening (Change) Corporate Settlement Account” (《开立 (变更) 单位结算账户申请书》); in relation to deposit services, the parties will need to execute, *inter alia*, a “Corporate Deposit Agreement” (《单位协定存款协议》) and an “Agreement on Administration of RMB Internal Settlement Accounts” (《人民币内部结算账户管理协议》); and in relation to loan services, the parties will need to execute, *inter alia*, a “Credit Line Contract” (《授信额度合同》), a “Working Capital Loan Contract” (《流动资金借款合同》) and a “Fixed Asset Loan Contract” (《固定资产借款合同》). For the avoidance of doubt, the broad principles and the terms of the Agreement 2026 (being in the nature of a framework agreement) shall guide and regulate the general principles and amounts of financial services to be provided by TPGF to the Company, even though such principles and terms may not be replicated in full in each specific contract subsequently entered into between TPGF and the Company.

- (b) The Financial Services to be provided by TPGF under the Agreement 2026 shall be applicable to the Company and its controlled subsidiaries (as defined under PRC laws).
- (c) In providing the Financial Services, TPGF may, where appropriate and subject to its business requirements, require the Company to provide corresponding security. For the avoidance of doubt, the Company has not been required to provide any security in connection with the provision of the financial services by TPGF since the signing of the Prior Agreements. In the event that the Company is required to provide any security in connection with the provision of the Financial Services by TPGF under the Agreement 2026, such provision of security will constitute a related party transaction under PRC laws (including the SSE Listing Rules) and an interested person transaction under the Listing Manual, and the Company will be required to obtain Shareholders' approval prior to the provision of such security.

5.6 Modification and Termination of the Agreement 2026

The Agreement 2026 is conditional upon all approvals being granted by or obtained from, *inter alia*, the independent Shareholders of the Company at a general meeting and, upon satisfaction of such condition, shall take effect upon signing by the parties and be valid for a term from 1 July 2026 to 30 June 2029.

The Agreement 2026 may be amended or terminated by mutual agreement of the parties by way of a written supplemental agreement.

5.7 Key Difference between the Agreement 2026 and the Agreement 2023

A key difference between the Agreement 2026 and the Agreement 2023 lies in the revisions to the pricing policies and the basis thereof, as set out below:

Type of Service	Agreement 2023	Agreement 2026
Settlement and intermediary services	Pricing was determined with reference to prevailing market levels, and the fee rates charged by TPGF were required to be not higher than those offered by other domestic financial institutions in the PRC for comparable services.	Pricing shall be determined with reference to prevailing market levels, and the fee rates offered by TPGF shall not be higher than those offered by the six (6) major state-owned commercial banks in the PRC for comparable services.
Deposit services	Deposit interest rates were determined with reference to the interest rates published by the PBOC and were required to be not lower than those offered by other domestic financial institutions in the PRC for deposits of the same type and tenor.	Deposit interest rates shall be determined in compliance with the relevant requirements of the PBOC and the National Market Interest Rate Pricing Self-Disciplinary Mechanism (全国市场利率定价自律机制) , ¹⁵ and shall not be lower than the interest rates offered by

¹⁵ See footnote 13.

		the six (6) major state-owned commercial banks in the PRC for deposits of the same type and tenor.
Credit business services	Pricing was determined with reference to the loan prime rate published by the National Inter-bank Funding Centre (全国银行间同业拆借中心) (as authorised by the PBOC) , and the credit interest rates and fee rates offered by TPGF were required to be not higher than those obtainable by the Company from other domestic financial institutions in the PRC for credit facilities of the same type and tenor.	Pricing shall be determined in accordance with the pricing methodologies prescribed by the PBOC with reference to prevailing market interest rate levels , and the credit interest rates and fee rates offered by TPGF shall not be higher than those obtainable by the Company from the six (6) major state-owned commercial banks in the PRC for credit facilities of the same type and tenor.

These revisions were made in light of the fact that interest rate pricing has become increasingly market-oriented in recent years, and the benchmark interest rate regime of the PBOC has gradually lost its significance as a pricing benchmark, with commercial banks generally adopting independent pricing mechanisms. While the underlying objective of TPGF in providing financial services to the Company remains unchanged, and TPGF will continue to offer interest rates and fee rates that are more favourable than those offered by external financial institutions, the revisions have been made to enhance the rigour, prudence and operability of the pricing policies and the basis thereof under the Agreement 2026. This is achieved by comparing TPGF's quotations with those obtained from the six (6) major state-owned commercial banks in the PRC, which provide a more credible and stable basis for comparison. In adopting this comparison basis, factors such as the credibility, stability, comparability and representativeness of the relevant quotations have been taken into account, so as to avoid undue reliance on quotations from certain commercial banks that may, at particular points in time, reflect unusually aggressive pricing and therefore may not provide an appropriate or sustainable basis for consistent comparison. Accordingly, the revised pricing policies are intended to strike an appropriate balance between commercial benefit and prudent risk management, and are not prejudicial to the interests of the Company and its minority Shareholders.

Save for the foregoing, there are no other material differences between the Agreement 2026 and the Agreement 2023.

6. REVIEW PROCEDURES IN RELATION TO THE PROPOSED TPGF IPT

Notwithstanding the appointment of (i) Mr. Ma Jian by the Company as a director of TPGF, (ii) Mr. Xing Jianhua as a director and the legal representative of TPGF, (iii) Mr. Guo Min as a director of TPH, and (iv) each of Ms. Wang Lei, Mr. Xing Jianhua, and Ms. Mao Weiwen as a member of the senior management of TPH (the controlling shareholder of the Company), in each case as at the date of this announcement, the Company considers that the independence of the Proposed TPGF IPT will not be compromised for the following reasons:

- (a) although Mr. Ma Jian represents the Company on the board of directors of TPGF, the Company holds only thirty per cent. (30%) of the voting rights in TPGF as at the date of this announcement and, accordingly, Mr. Ma Jian is not in a position to exercise control

over or materially influence the board of directors of TPGF. Further, the pricing policies and basis for the Financial Services to be provided by TPGF under the Agreement 2026 are clearly set out in the Agreement 2026 (as described in paragraph 5.4 of this announcement) and have been reviewed and approved by the Audit Committee. The actual transactions arising therefrom (if any) will be approved by the head of the finance department of the Company, being Mr. Ma Jian as at the date of this announcement and carried out by the personnel of the Company's finance department in accordance with such pricing policies and basis, and subject to the review procedures set out in this paragraph 6. Save for the foregoing arrangement, which the Company believes is a common practice in the finance industry in the PRC where shareholder(s) nominate director(s) to the board of directors of a finance company, the Company will ensure that the head of the finance department of the Company has no interest in, or relationship with, the TPH group, whether directly or indirectly;

- (b) Mr. Xing Jianhua, as a Non-Executive and Non-Independent Director of the Company, is not involved in the day-to-day operations and management of the Company and will not be involved in the decision-making procedures in relation to the Proposed TPGF IPT;
- (c) the interested Directors (i.e. Mr. Guo Min, Ms. Wang Lei, Mr. Xing Jianhua, and Ms. Mao Weiwen) shall, in accordance with the SSE Listing Rules, abstain from voting at the Board meeting in respect of the resolution approving the Proposed TPGF IPT and shall not act as proxies or otherwise for the purposes of voting on such resolution;
- (d) the proposed entry into the Agreement 2026 constitutes a related party transaction under the PRC laws (including the SSE Listing Rules) and an interested person transaction under the Listing Manual and shall, in accordance with the relevant regulations of the CSRC and the SSE, as well as the Listing Manual, be subject to approval by Shareholders at a general meeting of the Company, at which the interested Shareholders shall abstain from voting, and such transaction shall only take effect upon approval by a majority of the independent Shareholders; and
- (e) the Company compares the terms and conditions offered by TPGF with those offered by each of the six (6) major state-owned commercial banks in the PRC before deciding which institution to engage for its specific financial needs.

Specifically, to ensure that the Proposed TPGF IPT is carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company has put in place the following review procedures in respect of the transactions contemplated under the Proposed TPGF IPT:

- (a) Settlement and intermediary services and credit business services: The Group will obtain quotations from TPGF and each of the six (6) major state-owned commercial banks in the PRC in respect of substantially similar types of transactions for comparison whenever the Company intends to obtain funds under the credit facilities granted by TPGF. The head of the finance department of the Company, being Mr. Ma Jian as at the date of this announcement (or such other person appointed to such capacity from time to time), will review the quotations and approve the transaction, provided that the quotation offered by TPGF is not less favourable than those offered by the six (6) major state-owned commercial banks in the PRC and that the overall terms are in accordance with the usual industry practice and the business policies of the Group, as well as the pricing basis and policies as set out in the Agreement 2026.

- (b) Deposit services: The Group will obtain interest rates from TPGF and each of the six (6) major state-owned commercial banks in the PRC in respect of substantially similar types of deposits for comparison whenever the Company intends to place new deposits. In the event that the interest rates are adjusted by the PBOC, the interest rates for comparison will be re-examined. The head of the finance department of the Company, being Mr. Ma Jian as at the date of this announcement (or such other person appointed to such capacity from time to time), will review the interest rates and approve the transaction, provided that the interest rates offered by TPGF are not less favourable than those offered by the six (6) major state-owned commercial banks in the PRC and that the overall terms are in accordance with the usual industry practice and the business policies of the Group, as well as the pricing basis and policies as set out in the Agreement 2026.

In addition, the Proposed TPGF IPT will also be subject to the guidelines and review procedures adopted by the Company for interested person transaction generally, where applicable, including, but not limited to, the following:

- (a) All interested person transactions will be summarised and presented to the Audit Committee for review on a quarterly basis. For the avoidance of doubt, all transactions carried out under one (1) agreement are considered as one (1) transaction. Such review may include an examination of the relevant transactions, their supporting documents and such other information as the Audit Committee may deem necessary. The Audit Committee shall, when it deems fit, have the right to require the appointment of independent sources, advisers or valuers to provide additional information pertaining to the transaction under review. Any member of the Audit Committee who is interested in a particular interested person transaction shall abstain from participating in the review of that transaction.
- (b) The Company's internal audit department will conduct quarterly reviews (such as sample checks) of the transactions (including all interested person transactions) entered into during the preceding financial period to ascertain compliance with the internal control guidelines and review procedures applicable to all transactions carried out by the Company (including the transactions under the Agreement 2026), and whether such transactions are carried out in accordance with the relevant contractual terms as well as the Company's policies and procedures, are carried out on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders. The findings of such reviews will be submitted to the Audit Committee at its periodic meetings.
- (c) The Company's internal audit department will conduct a special audit on the Company's use of funds on an annual basis and review the implementation of the Agreement 2026 and the supplementary agreements (if any) entered into between the Company and TPGF in connection therewith, and submit its findings to the Audit Committee.
- (d) As part of the Group's annual audit, external auditors will review the interested person transactions on a sampling basis or such other basis as may be appropriate under accepted auditing standards. The external auditors will report to the Audit Committee in the event of any non-compliance based on their audit samples or findings.
- (e) Furthermore, the Company will disclose the aggregate value of the transactions arising from the Proposed TPGF IPT in the format stipulated under Rule 907 of the Listing Manual in the Company's quarterly and full year financial statements and its annual report.

7. RATIONALE FOR, AND BENEFITS OF, THE PROPOSED TPGF IPT

TPGF is a non-bank financial institution approved by the NFRA, Tianjin Office, and was established to provide, within its approved business scope, financial services to the member entities of the TPH group (including the Company). TPGF will set up cash pooling arrangements with banks to provide financing channels and lower the cost of financing for the member entities of the TPH group (including the Company). This will optimise the utilisation of surplus funds of the member entities of the TPH group (including the Company).

By obtaining loans from TPGF, the Group is able to secure stable financing support at competitive financing costs. The pricing policies and the basis thereof for the Financial Services to be provided by TPGF under the Agreement 2026 are clearly set out in the Agreement 2026 (as described in paragraph 5.4 of this announcement) and have been reviewed and approved by the Audit Committee. The actual transactions arising therefrom (if any) will be carried out by the personnel of the Company's finance department in accordance with such pricing policies and basis, and subject to the review procedures set out in paragraph 6 of this announcement. In this regard, since the signing of the Agreement 2023, the terms under which the Company has obtained loans from TPGF have not been higher than those offered by other financial institutions in the PRC during the corresponding period.

Furthermore, the deposit services provided by TPGF enhance the Company's fund management efficiency and utilisation of available funds, as:

- (a) TPGF provides secure and efficient online banking services, enabling the Company to monitor its account balances and fund movements in a timely manner;
- (b) payments and settlements may be conducted efficiently through TPGF's internal transfer mechanisms, facilitating convenient fund transfers between the Company and its branches; and
- (c) TPGF is able to provide timely¹⁶ credit support to the Company, thereby reducing the need for the Company to maintain excessive cash reserves.

The settlement and intermediary services provided by TPGF also facilitate more efficient and convenient settlement arrangements between the Company and other member entities of the TPH group, and contribute to improving the Company's capital turnover efficiency.

Accordingly, the Company considers that the Proposed TPGF IPT will enable the Company to broaden its financing channels, reduce financing costs, ensure adequate working capital and enhance overall capital utilisation efficiency.

8. DECISION-MAKING PROCEDURES FOR THE PROPOSED TPGF IPT

8.1 Special Meeting of Independent Directors

On 26 March 2026, the Company convened the 1st Special Meeting of Independent Directors for the financial year ending 31 December 2026 ("FY2026"). In accordance with relevant laws and regulations, including the *Administrative Measures for Independent Directors of Listed*

¹⁶ TPGF, as a non-bank financial institution established to provide financial services to the member entities of the TPH group, is more familiar with the businesses and operations of the member entities of the TPH group than other financial institutions in the market. In addition, TPGF's review and approval processes are faster and more convenient, enabling it to provide funding support more promptly.

Companies (《上市公司独立董事管理办法》) issued by the CSRC, the SSE Listing Rules, and the Listing Manual, the Independent Directors of the Company (comprising Mr. Yeo Guat Kwang, Mr. Liew Yoke Pheng Joseph, and Mr. Zhong Ming) conducted a prior review of, and expressed the following opinions on, the Proposed TPGF IPT:

- (a) TPGF 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 relating to the Proposed TPGF IPT;
- (b) the Proposed TPGF IPT adheres to the principles of equality, voluntariness, mutual benefit and reciprocity, 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 Agreement 2026 are lawful and valid, and do not contravene any mandatory provisions of the applicable laws, regulations or normative documents currently in force; and
- (d) the Independent Directors agreed to submit the Proposed TPGF IPT to the FY2026 2nd Board Meeting (as defined below) for consideration.

8.2 Board Meeting

On 30 March 2026, the Company convened its 2nd Board meeting for FY2026 (the “**FY2026 2nd Board Meeting**”), at which the Board considered and approved, amongst others, the resolution relating to the Proposed TPGF IPT.

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 such resolution. Of the nine (9) Directors currently serving on the Board, the remaining five (5) non-interested Directors, including all three (3) Independent Directors, voted in favour of such resolution.

The Proposed TPGF IPT remains subject to the approval of the independent Shareholders of the Company at a general meeting.

9. INTERESTED PERSON TRANSACTIONS

9.1 Entity at Risk and Interested Persons

The Company is considered an “entity at risk” for the purposes of Chapter 9 of the Listing Manual in relation to the Proposed TPGF IPT.

As at the date of this announcement,

- (a) TPH holds 43.008% of the issued share capital of the Company and is therefore considered a controlling shareholder. As a result, TPH and its associates are regarded as “interested persons” for the purposes of Chapter 9 of the Listing Manual; and
- (b) TPH holds 50% equity interest in TPGF. Accordingly, TPGF is regarded as an associate of TPH and is therefore considered an “interested person” under Chapter 9 of the Listing Manual.

As such, the Proposed TPGF IPT constitutes an interested person transaction under Chapter 9 of the Listing Manual.

9.2 Shareholders' Approval for the Proposed TPGF IPT

Based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2025 ("**FY2025**"), the Group's latest audited NTA as at 31 December 2025 is approximately RMB7,013,306,000.

Given that the value of a transaction is the amount at risk to the issuer and in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing, and in the case of lending of funds to an interested person, the value of the transaction is the interest payable on the loan and the value of the loan. Consequently, the total amount at risk to the Company in respect of the Proposed TPGF IPT for the Term is RMB1,695 million, representing approximately 24.17% of the Group's latest audited NTA. This amount comprises:

- (a) RMB15 million, being the maximum service fees payable by the Company for the Term;
- (b) RMB180 million, being the estimated maximum interest payable on the credit facilities granted to the Company for the Term; and
- (c) RMB1,500 million, being the maximum daily balance in the Company's deposit account with TPGF (including accrued interest).

As the value of the Proposed TPGF IPT exceeds five per cent. (5%) of the Group's latest audited NTA, it is subject to the approval of the independent Shareholders pursuant to Rule 906 of the Listing Manual.

9.3 Current and On-going Interested Person Transactions

(a) Other Interested Person Transactions with TPGF

Save for:

- (i) the transactions made pursuant to the Agreement 2023, which was approved by the independent Shareholders at the 2023 AGM;
- (ii) the proposed provision of a guarantee of up to RMB433,500,000 in respect of credit facilities to be obtained by Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司) ("**TJZX Medicine**") from TPGF, in proportion to the Company's indirect equity interest in TJZX Medicine (through Tianjin Pharmaceutical Group Taiping Medicine Co., Ltd. (津药太平医药有限公司) ("**Taiping Medicine**")) (the "**Proposed TJZX Medicine Guarantee (TPGF)**"), which is pending approval by the independent Shareholders at the 2026 AGM; and
- (iii) the Proposed TPGF IPT, which is pending approval by the independent Shareholders at the 2026 AGM,

there are no other interested person transactions (excluding transactions below S\$100,000) that were entered into or are proposed to be entered into by the Company with TPGF for the current financial year beginning 1 January 2026 up to the date of this announcement.

For the current financial year beginning 1 January 2026 up to the date of this announcement, no credit facilities have been drawn down by the Company and, accordingly, no interest is payable. The service fees payable in respect of the financial services provided to the Company were waived by TPGF. As at the date of this announcement, deposits of approximately RMB1,467.26 million (including accrued interest of RMB2.31 million) have been placed with TPGF, which is within the approved limit of RMB1,500 million under the Agreement 2023. For the avoidance of doubt, such deposits represent a fluctuating account balance which may be withdrawn and/or deposited as and when necessary, and therefore are not included in the total value of all interested person transactions for the current financial year up to the date of this announcement, as disclosed in paragraph 9.3(d) of this announcement below. This approach is consistent with the Company's past periodic reporting practice.

(b) Other Interested Person Transactions with TPH and/or its Associates

Save for the transactions described in paragraph 9.3(a) above, as well as the following:

- (i) the provision of a proportionate liability equal to 43.35% of the Subsisting Guarantee¹⁷ by the Company for TJZX Medicine (i.e. up to RMB823,650,000) in proportion to the Company's equity interest in Taiping Medicine upon completion of the proposed capital injection of RMB493,617,700 into Taiping Medicine by the Company through the transfer of the 100% equity interest in TJZX Medicine to Taiping Medicine (the "**Capital Injection**") pursuant to the capital injection agreement in relation thereto (the "**Company's Proportionate Guarantee**")¹⁸, which was approved by the independent Shareholders at the 1st extraordinary general meeting of the Company in 2024 held on 29 October 2024 (the "**2024 1st EGM**");
- (ii) the provision of a guarantee by the Company, in proportion to its equity interest in Taiping Medicine, of up to RMB1,647.3 million for Taiping Medicine (the "**Taiping Medicine 2025 Guarantee**")¹⁹, which was approved by the independent Shareholders at the annual general meeting of the Company held on 15 May 2025 (the "**2025 AGM**");
- (iii) the provision of a guarantee by the Company, in proportion to its indirect equity interest in TJZX Medicine (through Taiping Medicine), of up to RMB815 million for TJZX Medicine (the "**TJZX Medicine 2025 Guarantee**")²⁰, which was approved by the independent Shareholders at the 2025 AGM;

¹⁷ In this announcement, "**Subsisting Guarantee**" means the provision of a guarantee of up to RMB1,900 million by the Company for TJZX Medicine (being then a wholly-owned subsidiary of the Company), which was approved by Shareholders at the annual general meeting of the Company held on 15 May 2024.

¹⁸ For further details of the Capital Injection and the Company's Proportionate Guarantee, please refer to the [14 October 2024 Circular](#) and the [Company's announcement dated 29 October 2024](#) in relation to the poll results of the 2024 1st EGM.

¹⁹ For further details of the Taiping Medicine 2025 Guarantee, please refer to the [annexure dated 30 April 2025 accompanying the notice of the 2025 AGM](#) in relation to, *inter alia*, the Taiping Medicine 2025 Guarantee, and the [Company's announcement dated 15 May 2025](#) in relation to the poll results of the 2025 AGM.

²⁰ For further details of the TJZX Medicine 2025 Guarantee, please refer to the [annexure dated 30 April 2025 accompanying the notice of the 2025 AGM](#) in relation to, *inter alia*, the TJZX Medicine 2025 Guarantee, and the [Company's announcement dated 15 May 2025](#) in relation to the poll results of the 2025 AGM.

- (iv) a three (3)-year lease agreement entered into between Taiping Medicine and the Company, which was approved by the Board at the 4th Board meeting for FY2025 held on 20 June 2025;
- (v) the proposed provision of a guarantee by the Company, in proportion to its equity interest in Taiping Medicine, of up to RMB1,408,875,000 in respect of credit facilities to be obtained by Taiping Medicine from third-party financial institutions (the **“Proposed Taiping Medicine Guarantee”**)²¹, which is pending approval by the independent Shareholders at the 2026 AGM; and
- (vi) the proposed provision of a guarantee by the Company, in proportion to its indirect equity interest in TJZX Medicine (through Taiping Medicine), of up to RMB1,257,150,000 in respect of credit facilities to be obtained by TJZX Medicine from third-party financial institutions (the **“Proposed TJZX Medicine Guarantee (Third-Party)”**)²² together with the Proposed Taiping Medicine Guarantee, the Proposed TJZX Medicine Guarantee (TPGF), and the Proposed TPGF IPT, the **“Proposed IPTs”**), which is pending approval by the independent Shareholders at the 2026 AGM,

there are no other interested person transactions (excluding transactions below S\$100,000) that were entered into or are proposed to be entered into by, on the one hand, the Company, its subsidiaries and/or associated companies, which are considered an “entity at risk” within the meaning of 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 2026 up to the date of this announcement.

(c) Interested Person Transactions conducted under the IPT Mandate

There have been no interested person transactions (excluding transactions less than S\$100,000) made pursuant to the existing general mandate for interested person transactions, which was last renewed and approved at the 2025 AGM, for the current financial year beginning 1 January 2026 up to the date of this announcement.

(d) All Interested Person Transactions for the Current Financial Year

Accordingly, the current total value of all interested person transactions (excluding interested person transactions less than S\$100,000 and the Proposed IPTs in respect of which the approval of the independent Shareholders is being sought at the 2026 AGM) entered into by, on the one hand, the Company, its subsidiaries and/or associated companies, which are considered an “entity at risk” within the meaning of 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 2026 up to the date of this announcement is approximately RMB418,753,461.37, representing approximately 5.97% of the Group’s latest audited NTA of RMB7,013,306,000 as at 31 December 2025. Such transactions comprise the following:

²¹ Please refer to the separate announcements made by the Company on the same day as this announcement in relation to the Proposed Taiping Medicine Guarantee as an interested person transaction for further details.

²² Please refer to the separate announcements made by the Company on the same day as this announcement in relation to the Proposed TJZX Medicine Guarantee as an interested person transaction for further details.

- (i) RMB235,218,802.5, being the outstanding guarantee amount provided by the Company for TJZX Medicine under the TJZX Medicine 2025 Guarantee, which was approved by the independent Shareholders at the 2025 AGM; and
- (ii) RMB183,534,658.87, being the outstanding guarantee amount provided by the Company for Taiping Medicine under the Taiping Medicine 2025 Guarantee, which was approved by the independent Shareholders at the 2025 AGM.

9.4 Independent Financial Adviser

Pursuant to Rule 921(4)(a) of the Listing Manual, RHB Bank Berhad has been appointed as the independent financial adviser (the “**IFA**”) to opine on whether the Proposed TPGF IPT is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders (the “**IFA Opinion**”). A copy of the letter from the IFA setting out the IFA Opinion will be included in the Annexure (as defined below).

9.5 Audit Committee’s Statement

The Audit Committee as at the date of this announcement comprises Mr. Liew Yoke Pheng Joseph, Mr. Yeo Guat Kwang, and Mr. Zhong Ming, all of whom are considered independent for the purposes of the Proposed TPGF IPT.

The Audit Committee will consider the IFA Opinion before forming its view as to whether the Proposed TPGF IPT is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. The view of the Audit Committee will be set out in the Annexure.

10. 2026 AGM AND ANNEXURE

As announced by the Company on the same day as this announcement, the Board proposes to convene the annual general meeting for FY2025 (the “**2026 AGM**”) to be held at the meeting room of the Company’s Modern Traditional Chinese Medicine Industrial Park located at No. 21 Tenth Avenue, Binhai New Area, Tianjin, the PRC (中国天津市滨海新区第十大街 21 号津药达仁堂集团现代中药产业园会议室) (concurrently, via video conferencing at Meeting Room 2&3, 126 Beach Road, Guoco Midtown Network Hub Level 2, Singapore 189772 for holders of S-Shares in Singapore) on Friday, 15 May 2026 at 1:30 p.m..

An annexure to the notice of the 2026 AGM (the “**Annexure**”), containing further information on the Proposed TPGF IPT and the IFA Opinion, will be despatched to Shareholders in due course.

11. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed TPGF IPT and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has

been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 17 Baidi Road, Nankai District, Tianjin, the PRC 300193, during normal business hours from the date of this announcement up to and including the date of the 2026 AGM:

- (a) the Agreement 2026; and
- (b) the Articles of Association of the Company.

13. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcements, as and when there are material developments in relation to the Proposed TPGF IPT and the other matters referred to in this announcement, in compliance with the requirements of the Listing Manual and the SSE Listing Rules.

Shareholders and potential investors are advised to read this announcement and any further announcements made by the Company carefully, and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in any doubt as to the action they should take.

By Order of the Board

Jiao Yan
Secretary to the Board of Directors
30 March 2026