

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

MINUTES OF THE ANNUAL GENERAL MEETING OF TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED (THE “COMPANY”) HELD ON 15 MAY 2023

DATE : 15 May 2023

TIME : 1:30 p.m.

VENUE : Meeting room of Da Ren Tang Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the People's Republic of China (“**PRC**”) 300193 for holders of “A” shares (“**A-Share Shareholders**”)

Concurrently, a video conferencing at Library 1 & 2, Level 8, 1 Pickering Street, Great Eastern Centre, Singapore 048659 for holders of the “S” shares (“**S-Share Shareholders**”, together with A-Share Shareholders, “**Shareholders**”) in Singapore

CALLED BY : Board of Directors

CHAIRMAN OF THE AGM : Ms. Zhang Mingrui

INTRODUCTION

The Chairman of the AGM (“**AGM Chairman**”) welcomed all Shareholders to the Company's annual general meeting for the financial year ended 31 December 2022 (“**FY2022**”) (“**AGM**” or “**Annual General Meeting**”) and stated that the AGM was held at the meeting room of Da Ren Tang Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the PRC, and concurrently, a video conferencing at Library 1 & 2, Level 8, 1 Pickering Street, Great Eastern Centre, Singapore 048659 for the S-Share Shareholders in Singapore. The AGM Chairman stated that voting by A-Share Shareholders at the AGM is to be carried out through a combination of on-site voting and online voting and then called for the proceedings of the AGM to officially start.

QUORUM

As a quorum was present, Ms. Zhang Mingrui, the AGM Chairman, called the AGM to order at 1:30 p.m.

Ms. Zhang Mingrui, the AGM Chairman, then introduced the following persons who were present at the AGM:

Tianjin:

Directors

- Ms. Zhang Mingrui (Chairman of the Board)
- Mr. Liew Yoke Pheng Joseph (Lead Independent and Non-

Executive Director)
 Ms. Li Qing (Independent and Non-Executive Director)
 Mr. Guo Min (Executive Director)
 Ms. Wang Lei (Executive Director)
 Mr. Zhou Hong (Executive Director)
 Ms. Mao Weiwen (Non-Executive Director)

- Secretary to the Board** - Ms. Jiao Yan
- Supervisors** - Ms. Guo Xiumei (Employee Supervisor)
- Management** - Ms. Wang Lei (General Manager)
 Mr. Zhou Hong (Deputy General Manager and Chief Engineer)
 Ms. Niu Shengfang (Deputy General Manager and Chief Accountant)
 Mr. Zhang Yu (Chief Production Officer)
- PRC Legal Counsel** - Guantao Law Firm (Tianjin Office)
 Represented by: Ms. Liu Ying
 Ms. Yang Miao

Singapore:

- Directors** - Mr. Zhu Haifeng (Independent and Non-Executive Director)
- Independent Financial Adviser** - RHB Bank Berhad, through its Singapore branch
 Represented by: Ms. Lien I Ping
 Mr. Ivan Khew
- Singapore Legal Counsel** - Shook Lin & Bok LLP
 Represented by: Mr. Wong Gang
 Ms. Nicole Zheng
 Ms. Lynette Lim
- Singapore Polling Agent** - Boardroom Corporate & Advisory Services Pte. Ltd.
 Represented by: Ms. Hon Chia Hui
 Mr. Teo Kian Siong
- Singapore Scrutineer** - Drewcorp Services Pte. Ltd.
 Represented by: Ms. Tan Ching Ching
 Ms. Charissa Hor
 Ms. Stella Tng

NOTICE OF MEETING AND BUSINESS OF THE AGM

Ms. Zhang Mingrui, the AGM Chairman, stated that the meeting materials have been sent to Shareholders or published on the website of the Shanghai Stock Exchange and SGXNET, and the notice convening the AGM was taken as read. The AGM proceeded to consider the resolutions which were tabled for Shareholders' approval at the AGM.

Ms. Zhang Mingrui, the AGM Chairman, on behalf of the directors and management of the Company, then proceeded to answer the questions received by the Company from the S-Share Shareholder(s) submitted in advance of the AGM which are relevant to the business of the AGM. Please refer to the questions raised by the S-Share Shareholder(s) and the Company's responses set out in **Appendix 1**. Save for the foregoing, there were no questions raised by Shareholders at the AGM in relation to the business of the AGM.

VOTING PROCEEDINGS AND RESULTS

Ms. Zhang Mingrui, the AGM Chairman, stated that with respect to voting by A-Share Shareholders, the scrutineer team comprised of Ms. Liu Ying (representative of PRC legal counsel), Ms. Guo Xiumei (representative of supervisors), Ms. Wang Wei (representative of A-Share Shareholders) and counting personnel comprised of Ms. Jiang Ling and Mr. Wang Jian. It was noted that Drewcorp Services Pte. Ltd. has been appointed as the Singapore scrutineer for the AGM.

Ms. Liu Ying introduced the voting rules and procedures for A-Share Shareholders on behalf of the scrutineer team, and the Singapore scrutineer introduced the voting rules and procedures for S-Share Shareholders. Following this, Shareholders proceeded to vote, and the AGM was adjourned for around 2.5 hours.

The AGM resumed at 4:30 p.m., and Ms. Jiao Yan, on behalf of the AGM Chairman, proceeded to announce the voting results of each of the resolutions.

Resolution 1 - To consider and approve the Chairman's Report for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,894,347	99.991	0	0.000	36,900	0.009

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 2 - To consider and approve the Board of Directors' Report for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,894,347	99.991	0	0.000	36,900	0.009

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 3 - To consider and approve the Supervisory Committee's Report for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,894,347	99.991	0	0.000	36,900	0.009

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 4 - To consider and approve the Financial Report and Audit Report for FY2022 audited by ShineWing Certified Public Accountants LLP (信永中和会计师事务所) and RSM Chio Lim LLP and reviewed by the Audit Committee of the Company

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,894,347	99.991	1,000	0.000	35,900	0.009

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 5 - To consider and approve the scheme of profit distribution policy of the Company for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,930,247	100.000	1,000	0.000	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 6 - To consider and approve the remuneration of S\$55,000 for independent director Mr. Wong Gang for FY2022 (specifically, for the period from 1 January 2022 to 30 December 2022)

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,930,147	100.000	1,000	0.000	100	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 7 - To consider and approve the remuneration of S\$55,000 for independent director Mr. Liew Yoke Pheng Joseph for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,931,147	100.000	0	0.000	100	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 8 - To consider and approve the remuneration of RMB60,000 for independent director Ms. Li Qing for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,931,247	100.000	0	0.000	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 9 - To consider and approve the aggregate remuneration for directors of the Company (the “Directors”) for FY2022

The following director of the Company had abstained from voting on this Resolution 9:

Name	Number of shares held ¹
Zhou Hong	70,000 Restricted A-shares

¹ These are the Restricted A-Shares (as defined under the Scheme) granted and issued under the 2019 Restricted A-Share Incentive Scheme (2019 年 A 股限制性股票计划) (the “**Scheme**”) of the Company.

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,930,247	100.000	1,000	0.000	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 10 - To consider and approve the aggregate remuneration for members of the Supervisory Committee for FY2022

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,930,247	100.000	1,000	0.000	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 11 - To consider and approve the proposed renewal of the shareholders' mandate for the interested person transactions

Pursuant to Rule 919 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), Tianjin Pharmaceutical Holdings Co., Ltd. ("TPH") (being the controlling shareholder of the Company) which holds 325,855,528 A-shares in the Company, and Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (being the wholly-owned subsidiary of TPH) which holds 5,265,000 S-shares in the Company, had abstained from voting on this Resolution 11. Further, Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (being the controlling shareholder of TPH) which holds 4,497 A-shares in the Company, had also abstained from voting on this Resolution 11. In addition, TPH and its associates did not accept nominations as proxies or otherwise for voting on this Resolution 11 at the AGM, unless they were given specific instructions by independent shareholder(s) as to how to vote.

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
67,074,719	99.999	1,000	0.001	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 12 - To consider and approve the proposed financial services agreement to be entered into 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 and all transactions arising therefrom

Pursuant to Rule 919 of the Listing Manual of the SGX-ST, Tianjin Pharmaceutical Holdings Co., Ltd. ("TPH") (being the controlling shareholder of the Company) which holds 325,855,528 A-shares in the Company, and Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (being the wholly-owned subsidiary of TPH) which holds 5,265,000 S-shares in the Company, had abstained from voting on this Resolution 12. Further, Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (being the controlling shareholder of TPH) which holds 4,497 A-shares in the Company, had also abstained from voting on this Resolution 12. In addition, TPH and its associates did not accept nominations as proxies or otherwise for voting on this Resolution 12 at the AGM, unless they were given specific instructions by independent shareholder(s) as to how to vote.

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
65,334,770	97.405	1,740,949	2.595	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 13 - To consider and approve the proposed "Scheme on Return of Investment to Shareholders from 2023 to 2025"

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,930,147	100.000	100	0.000	1,000	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 14 - To consider and approve the proposed lines of credit granted to the Company up to an aggregate limit of RMB10,350 million

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,331,247	99.847	595,000	0.151	5,000	0.001

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 15 - To consider and approve the proposed provision of guarantee for an amount of up to RMB1,900 million by the Company for Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司)

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,331,247	99.847	600,000	0.153	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 16 - To consider and approve the proposed continuous provision of an entrusted loan (委托贷款) of RMB1,200 million by the Company to Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司)

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
392,331,247	99.847	600,000	0.153	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

Resolution 17 - To consider and approve the proposed amendments to the Articles of Association of the Company and the application for changes in the industrial and commercial registration

FOR		AGAINST		FORFEITED	
Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
389,584,095	99.148	3,347,152	0.852	0	0.000

Based on the voting results, Ms. Jiao Yan, on behalf of the AGM Chairman, declared the motion carried.

WITNESSED BY PRC LEGAL COUNSEL

Ms. Liu Ying, the representative of the PRC legal counsel of the Company, confirmed that the calling and convening of the AGM were in compliance with provisions of relevant laws, regulations and normative documents, as well as the Articles of Association of the Company. The eligibility of the Board of Directors to call the AGM and Shareholders present at the AGM were legitimate and valid. The voting procedures and results of the AGM were legitimate and valid.

CLOSURE

There being no other business to transact, Ms. Zhang Mingrui, the AGM Chairman, declared the AGM of the Company closed at 4:37 p.m. and thanked everyone for their attendance.

CONFIRMED AS A TRUE RECORD OF PROCEEDINGS HELD

Ms. Zhang Mingrui
Chairman of the Board

APPENDIX 1

QUESTIONS FROM S-SHARE SHAREHOLDER(S) AND COMPANY'S RESPONSES

The gross profit margin ("GPM") for western medicine has been low:

	2021		2022		1Q2023	
	Sales (RMB'000,000)	GPM	Sales (RMB'000,000)	GPM	Sales (RMB'000,000)	GPM
Chinese Medicine	4,670	50.9%	5,652	52.9%	1,644	60.1%
Western Medicine	1,596	16.7%	1,783	8.9%	396	7.3%
Unallocated	642	7.8%	814	8.7%	113	12.8%

On the other hand, the GPM of Sino-American Tianjin SmithKline & French Lab., Ltd. (中美天津史克制药有限公司) in which the Company has a 25% stake, must be very high as its net margin is already above 20%:

	2021	2022
Revenue (RMB'000,000)	2,762	2,973
Profit (RMB'000,000)	610	705
Net Margin	22.1%	23.7%

Question 1

Does our own western medicine have no pricing power at all? Is the net margin of this segment nil?

Company's Response

Our Company's revenue from western medicine comprises (i) revenue generated from commercial circulation enterprises and (ii) revenue generated from western medicine manufacturing enterprises. Since the gross profit margin of commercial circulation enterprises is relatively low, and the proportion of the revenue generated from the western medicine manufacturing enterprises to the overall revenue of western medicine is also very low, the gross profit margin of western medicine as a whole was thus relatively low, and the net profit margin was negative.

我公司的西药收入包含商业流通企业形成的收入、西药生产企业形成的收入两部分，由于商业流通企业的毛利率较低，且西药生产企业收入占整体西药收入的比例非常低，所以西药整体的毛利率较低，净利率水平为负数。

Question 2

Please give examples of items in the unallocated category.

Company's Response

The unallocated category mainly comprises the revenue generated from the sale of Chinese medicine decoction pieces and medical devices.

“其他”项目主要包括销售药材饮片、医疗器械等形成的收入。