

**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)

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**THE PROPOSED PROVISION OF A GUARANTEE FOR AN AMOUNT OF UP TO RMB832,650,000 BY THE COMPANY FOR TIANJIN ZHONGXIN MEDICINE CO., LTD. (天津中新医药有限公司) AS AN INTERESTED PERSON TRANSACTION**

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*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.*

The Board refers to:

- (1) the announcement dated 29 March 2024 made by the Company in relation to, *inter alia*, the resolutions passed at the 1<sup>st</sup> Board meeting for the financial year ending 31 December 2024 (“FY2024”) (the “FY2024 1<sup>st</sup> Board Meeting Announcement”), and in particular, Appendix B to the FY2024 1<sup>st</sup> Board Meeting Announcement, in relation to the proposed provision of a 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) (“TJZX Medicine”) (the “Subsisting Guarantee”);
- (2) the announcement dated 15 May 2024 made by the Company in relation to the poll results of the Company’s annual general meeting for the financial year ended 31 December 2023 (“FY2023”) held on 15 May 2024 (the “2024 AGM Results Announcement”);
- (3) the announcement dated 11 September 2024 made by the Company in relation to the resolutions passed at the 5<sup>th</sup> Board meeting for FY2024 (the “FY2024 5<sup>th</sup> Board Meeting”); and
- (4) the announcement dated 11 September 2024 made by the Company in relation to the proposed capital injection into Tianjin Pharmaceutical Group Taiping Medicine Co., Ltd. (津药太平医药有限公司) (“Taiping Medicine”) through the transfer of the 100% equity interest in the registered capital of TJZX Medicine to Taiping Medicine (the “Proposed Capital Injection”) and the proposed entry into a capital injection agreement in relation thereto (the “Capital Injection Agreement”), and the resultant joint venture in Taiping Medicine following the completion of the Proposed Capital Injection (the “Proposed Joint Venture”) as interested person transactions (the “IPT Announcement #1”).

#### **IMPORTANT REMINDER**

- **Guaranteed party:** TJZX Medicine. As at the date of this announcement, TJZX Medicine is a wholly-owned subsidiary of the Company, and will become a related party/ interested person of the Company as a result of the Proposed Capital Injection.
- **Amount of guarantee provided under the Subsisting Guarantee:** As at the date of this

announcement, the one-year Subsisting Guarantee remains in effect, and the actual amount of guarantee already provided by the Company for TJZX Medicine under the Subsisting Guarantee is RMB614,288,400.

- **The Guarantee to be provided by the Company following the completion of the Proposed Capital Injection:** A joint and several liability guarantee (连带责任保证担保) for an amount of up to RMB832,650,000 to be provided by the Company for TJZX Medicine, corresponding to its 43.35% shareholding in Taiping Medicine, following the completion of the Proposed Capital Injection.
- There is no counter-guarantee for the guarantee to be provided by the Company for TJZX Medicine, and the shareholders of Taiping Medicine following the completion of the Proposed Capital Injection shall provide proportionate guarantees for TJZX Medicine, corresponding to their respective shareholdings in Taiping Medicine.
- As at the date of the announcement, the Company has no overdue external guarantees.
- The guarantee to be provided by the Company for TJZX Medicine following the completion of the Proposed Capital Injection is still subject to shareholders' approval.
- **Risk warning: The most recent asset-liability ratio of TJZX Medicine as at 30 June 2024 exceeds 70%. Shareholders and investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

## 1. OVERVIEW

### 1.1 Information on the Proposed Provision of Guarantee

As at the date of this announcement, TJZX Medicine is a wholly-owned subsidiary of the Company. In order to ensure that TJZX Medicine meets its funding needs for its daily operations and to facilitate the orderly continuation and replacement (接续置换) of its subsisting entrusted loans following the asset restructuring<sup>1</sup>, the Company proposed to provide a joint and several liability guarantee (连带责任保证担保) for an amount of up to RMB1,900 million (i.e., the Subsisting Guarantee) for TJZX Medicine, which was approved at the Company's 1<sup>st</sup> Board meeting for FY2024 held on 28 March 2024 and the Company's annual general meeting for FY2023 held on 15 May 2024 respectively. The term of the Subsisting Guarantee is one (1) year until 13 May 2026 (the "**Expiration Date**")<sup>2</sup>. Please refer to Appendix B to the FY2024 1<sup>st</sup> Board Meeting Announcement and the 2024 AGM Results Announcement for further information on the Subsisting Guarantee.

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<sup>1</sup> In this announcement, the "**asset restructuring**" refers to the proposed restructuring of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited, Medicine Co. (天津中新药业集团股份有限公司医药公司), involves converting it from a branch office of the Company into an indirect wholly-owned subsidiary of the Company by transferring the Company's seventeen (17) branch offices and four (4) subsidiaries (including four (4) retail pharmacies that are branch offices of these subsidiaries) in the pharmaceutical distribution/ circulation business segment to TJZX Medicine post-restructuring, so as to form a pharmaceutical commercial enterprise which integrates channel distribution, sales and retail, which was completed on or around 1 April 2022. Please refer to Appendix 1 to the announcement dated 17 December 2021 in relation to the resolutions passed at the 11<sup>th</sup> Board meeting for the financial year ended 31 December 2021 for further information on the asset restructuring.

<sup>2</sup> For the avoidance of doubt, the guarantees provided by the Company under the Subsisting Guarantee may involve multiple guarantees with different banks, each having different start dates. For example, if a guarantee starts on 1 June 2024, it will expire on 30 May 2025. As long as the start date of the guarantee falls between 15 May 2024 and 14 May 2025, the guarantee will be valid.

On 10 September 2024, the Company duly convened its FY2024 5<sup>th</sup> Board Meeting, where the Board considered and approved the resolutions in relation to, *inter alia*, the Proposed Capital Injection and the proposed entry into the Capital Injection Agreement. Please refer to the IPT Announcement #1 for further information on the Proposed Capital Injection and the Capital Injection Agreement.

Under the Capital Injection Agreement, the Company shall assume proportionate liability equal to 43.35% of the Subsisting Guarantee (i.e., RMB1,900 million) for TJZX Medicine, corresponding to the Company's shareholding in Taiping Medicine upon completion of the Proposed Capital Injection (the "**Proposed Provision of Guarantee**", together with the Proposed Capital Injection and the Proposed Joint Venture, the "**Proposed IPTs**"), and the Company has fulfilled the necessary approval procedures and disclosure obligations for the guarantee provided by the Company for TJZX Medicine.

Upon completion of the Proposed Capital Injection, it is envisaged that the Company and Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("**TPH**") will hold 43.35% and 56.65% equity interest in Taiping Medicine respectively, and Taiping Medicine will, in turn, hold 100% equity interest in TJZX Medicine.

Given that the Proposed Capital Injection will result in TJZX Medicine changing from a wholly-owned subsidiary of the Company to a related party of the Company, the Subsisting Guarantee will be classified as a related-party guarantee under the listing rules of the Shanghai Stock Exchange (the "**SSE Listing Rules**"). In accordance with the SSE Listing Rules, if a transaction or related party transaction results in the guaranteed party becoming a related party of a listed company, the listed company must, when carrying out such transaction or related party transaction, fulfil the corresponding approval procedures and information disclosure obligations regarding the subsisting guarantee. As such, the Company is required to fulfil the corresponding approval procedures and information disclosure obligations for the Subsisting Guarantee (including the Proposed Provision of Guarantee). Further, in accordance with the SSE Listing Rules, if the Subsisting Guarantee (including the Proposed Provision of Guarantee) is not approved by the shareholders of the Company at the 2024 EGM (as defined below), the parties involved in the transaction shall take such effective measures, including the early termination of the Subsisting Guarantee.

In addition, TJZX Medicine will be regarded as an associate<sup>3</sup> of TPH (being the controlling shareholder of the Company as at the date of this announcement) following the completion of the Proposed Capital Injection. Therefore, TJZX Medicine is considered an interested person<sup>4</sup> of the

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<sup>3</sup> As defined under the Listing Manual, "**associate**" means:

- (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
  - (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more;
- (b) in relation to a substantial shareholder or controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more.

<sup>4</sup> As defined under the Listing Manual, in the case of a company, "**interested person**" means:

Company for the purposes of Chapter 9 of the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited. Accordingly, the Proposed Provision of Guarantee constitutes an interested person transaction under Chapter 9 of the Listing Manual.

Subject to the approval of the Company’s shareholders being obtained at the 2024 EGM, upon completion of the Proposed Capital Injection (i.e., the completion of the industrial and commercial registration in respect of the Proposed Capital Injection), the shareholders of Taiping Medicine (i.e., the Company and TPH) shall provide proportionate guarantees for TJZX Medicine, corresponding to their respective shareholdings in Taiping Medicine. That is, based on the amount of the Subsisting Guarantee of up to RMB1,900 million, the Company shall provide a proportionate joint and several liability guarantee for an amount of up to RMB823,650,000 for TJZX Medicine, corresponding to its 43.35% shareholding in Taiping Medicine, and TPH shall provide a proportionate joint and several liability guarantee for an amount of up to RMB1,076,350,000 for TJZX Medicine, corresponding to its 56.65% shareholding in Taiping Medicine. The term of guarantee shall last from the completion of the industrial and commercial registration in respect of the Proposed Capital Injection to the Expiration Date.

## 1.2 Decision-making Procedures for the Proposed Provision of Guarantee

On 10 September 2024, the Company duly convened its FY2024 5<sup>th</sup> Board Meeting, where the Board considered and approved, *inter alia*, the resolution on the Proposed Provision of Guarantee as an interested person transaction. The said meeting was convened in compliance with applicable Company Law and Securities Law, as well as the Articles of Association of the Company.

The Proposed Provision of Guarantee is still subject to shareholders’ approval.

## 2. INFORMATION ON THE GUARANTEED PARTY

### 2.1 Information on TJZX Medicine

#### (a) Corporate Information

Name of the : Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司)  
guaranteed party

Registered : No. 5, Tengda Road, Pharmaceutical and Medical Device  
address Industrial Park, Beichen Economic-Technological Development Area, Beichen District, Tianjin (天津市北辰区天津北辰经济技术开发区医药医疗器械工业园腾达道5号)

Uniform social : 91120113MA07EEHW8F  
credit No.

Type of company : Limited liability company (sole proprietorship of a legal person  
invested or controlled by natural persons) (有限责任公司 (自然人  
投资或控股的法人独资))

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- (a) director, chief executive officer, or controlling shareholder of the issuer; or  
(b) an associate of any such director, chief executive officer, or controlling shareholder.

Legal representative : XUE Chao (薛超)

Date of incorporation : 2021年8月24日

Registered capital : RMB520,000,000

Business scope : Licenced items: wholesale of pharmaceuticals; operation of Class III medical devices; road cargo transportation (excluding hazardous goods); sale of food; sale of disinfection equipment (for items subject to approval pursuant to applicable laws, the business activities shall be carried out only after obtaining approval from the relevant authorities, and the specific business activities shall be based on the approval documents or permits issued by the relevant authorities)

General items: sale of (pre-packaged) healthcare food; road cargo transportation by general freight vehicles with gross weight of 4.5 tons or less (excluding network freight and dangerous goods); sale of Class II medical devices; sale of Class I medical devices; sale of personal hygiene products; wholesale of cosmetics; sale of daily necessities; wholesale of sports goods and equipment; sale of household appliances; sale of daily groceries; advertisements production; advertisements design and agency; information consulting services (excluding information consulting services subject to licencing requirement); general cargo warehousing services (excluding hazardous chemicals and other items subject to licencing approval); leasing of non-residential real estate; house leasing; sale of disinfectants (excluding hazardous chemicals); sale of chemical products (excluding chemical products subject to licencing requirement); sale of sanitary products and disposable medical products. (Except for items subject to approval in accordance with applicable laws, business activities shall be conducted based on its business licence in accordance with applicable laws)

(b) Financial Information of TJZX Medicine

Items	As at 31 December 2023 (audited)	As at 30 April 2024 (audited)	As at 30 June 2024 (unaudited)
Total assets	RMB2,744,358,600	RMB2,727,020,000	RMB2,628,073,400
Total liabilities	RMB2,258,989,300	RMB2,258,221,400	RMB2,171,066,100
Net assets	RMB485,369,300	RMB468,798,600	RMB457,007,400
Items	January to December 2023 (audited)	January to April 2024 (audited)	January to June 2024 (unaudited)
Revenue	RMB 3,724,300,800	RMB1,019,111,100	RMB1,554,643,600
Net profit	(RMB33,369,600)	(RMB16,570,700)	(RMB28,361,900)

## 2.2 Relationship between TJZX Medicine and the Company

As at the date of this announcement, TJZX Medicine is a wholly-owned subsidiary of the Company. Following the completion of the Proposed Capital Injection, TJZX Medicine will become a wholly-owned subsidiary of Taiping Medicine which will, in turn, be jointly held by the Company and TPH with 43.35% and 56.65% equity interests respectively. As such, the Company will indirectly hold 43.35% equity interest in TJZX Medicine.

## 3. PRINCIPAL TERMS OF THE GUARANTEE

1. Type of Guarantee : Joint and several liability guarantee (连带责任保证担保)
2. Term of Guarantee : From the completion of the Proposed Capital Injection (i.e., the completion of the industrial and commercial registration in respect of the Proposed Capital Injection) to the Expiration Date
3. Amount of Guarantee : The Company: up to RMB823,650,000  
TPH: up to RMB1,076,350,000
4. Form of Guarantee : The shareholders of TJZX Medicine's parent company (i.e., Taiping Medicine) following the completion of the Proposed Capital Injection shall provide proportionate guarantees for TJZX Medicine, corresponding to their respective shareholdings in Taiping Medicine

That is, based on the amount of the Subsisting Guarantee of up to RMB1,900 million, the Company shall provide a proportionate joint and several liability guarantee for TJZX Medicine, corresponding to its 43.35% shareholding in Taiping Medicine, and TPH shall provide a proportionate joint and several liability guarantee for TJZX Medicine, corresponding to its 56.65% shareholding in Taiping Medicine

## 4. RATIONALE FOR, AND BENEFITS OF, THE PROPOSED PROVISION OF GUARANTEE

The Proposed Provision of Guarantee is primarily intended to continue the arrangement in relation to the Subsisting Guarantee, which is for the purposes of meeting the funding needs of TJZX Medicine for its daily operations and to facilitate the orderly continuation and replacement (接续置换) of its subsisting entrusted loans (委托贷款) following the asset restructuring. TJZX Medicine is principally engaged in the sales of pharmaceutical products, logistics and distribution, as well as the provision of pharmaceutical supply chain solutions. It maintains stable long-term cooperation with nearly 10,000 domestic and international pharmaceutical manufacturers. As at the date of this announcement, TJZX Medicine operates through fourteen (14) branch offices and three (3) subsidiaries under a regional management structure. Its sales network covers medical institutions, private hospitals, clinics and retail pharmacies at all levels across the sixteen (16) districts of Tianjin. It holds significant channel and network advantages in the Tianjin region. As at the date of this announcement, TJZX Medicine remains solvent and is able to pay its debts.

## 5. OPINION OF THE BOARD

On 10 September 2024, the Company duly convened its FY2024 5<sup>th</sup> Board Meeting, where the Board considered and approved, *inter alia*, the resolution on the Proposed Provision of Guarantee as an interested person transaction. Of the nine (9) directors of the Company, the remaining six (6) non-interested directors (including all three (3) independent directors) all approved the Proposed Provision of Guarantee.

## 6. TOTAL AMOUNT OF EXTERNAL GUARANTEES AND AMOUNT OF OVERDUE GUARANTEES

As at the date of this announcement, the total amount of the external guarantees provided by the Company and its controlled subsidiaries (as defined under the laws of the People's Republic of China (the "PRC")) amounts to RMB614,288,400, all of which are guarantees provided by the Company for TJZX Medicine under the Subsisting Guarantee, representing approximately 9.31% of the latest audited net assets of the Company attributable to its parent company of approximately RMB6,600,690,500 for FY2023. The guaranteed amount of up to RMB823,650,000 pursuant to the Proposed Provision of Guarantee accounts for approximately 12.48% of the latest audited net assets of the Company attributable to its parent company of approximately RMB6,600,690,500 for FY2023. As at the date of this announcement, the Company has no overdue external guarantees.

## 7. INTERESTED PERSON TRANSACTIONS

### 7.1 Details of the Interested Persons

As at the date of this announcement, TPH is the controlling shareholder of the Company, holding 42.99% of the issued share capital of the Company, and Taiping Medicine is a wholly-owned subsidiary of TPH. Accordingly, Taiping Medicine is regarded as an associate of TPH. Following the completion of the Proposed Capital Injection, TJZX Medicine will become a wholly-owned subsidiary of Taiping Medicine which will, in turn, be jointly held by TPH and the Company with 56.65% and 43.35% equity interests respectively. As a result, TJZX Medicine will be regarded as an associate of TPH. Therefore, each of TPH, Taiping Medicine and TJZX Medicine is considered an interested person of the Company for the purposes of Chapter 9 of the Listing Manual.

### 7.2 Shareholders' Approval for the Proposed IPTs (including the Proposed Provision of Guarantee)

As stated in the IPT Announcement #1, the Proposed IPTs are inter-related since the Proposed Capital Injection will result in the establishment of the Proposed Joint Venture and correspondingly, the Proposed Provision of Guarantee:

- (a) as such, each of the Proposed Capital Injection, the Proposed Joint Venture and the Proposed Provision of Guarantee constitutes an interested person transaction under Chapter 9 of the Listing Manual; and
- (b) the amount at risk to the Company in respect of each of the Proposed Capital Injection, the Proposed Joint Venture and the Proposed Provision of Guarantee is approximately RMB1,317,267,700, which is the aggregate of:

- (i) RMB493,617,700 (being the Injection Amount), representing approximately 7.56% of the Group's latest audited net tangible assets ("NTA") of RMB6,528,642,000 as at 31 December 2023; and
- (ii) RMB823,650,000 (being the guarantee amount to be provided by the Company for TJZX Medicine pursuant to the Proposed Provision of Guarantee), representing approximately 12.62% of the Group's latest audited NTA of RMB6,528,642,000 as at 31 December 2023,

which represents approximately 20.18% of the latest audited NTA of the Group of RMB6,528,642,000 as at 31 December 2023, each of the Proposed Capital Injection, the Proposed Joint Venture and the Proposed Provision of Guarantee is an interested person transaction which exceeds the five per cent. (5%) of the Group's latest audited NTA.

Consequently, each of the Proposed Capital Injection, the Proposed Joint Venture and the Proposed Provision of Guarantee is subject to the approval of the shareholders of the Company pursuant to Rule 906(1) of the Listing Manual.

### 7.3 Current and On-going Interested Person Transactions

#### (a) Other Interested Person Transactions with TJZX Medicine

Save for the Proposed Provision of Guarantee, there are no other interested person transactions (excluding transactions less than S\$100,000) that are proposed to be entered into by the Company with TJZX Medicine for the current financial year beginning 1 January 2024 up to the date of this announcement.

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

Further, save for transaction(s) which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, there are no other interested person transactions (excluding transactions less than S\$100,000, the Company's proposed capital contribution of RMB150 million to Tianjin Pharmaceutical Group Finance Co., Ltd. (天津医药集团财务有限公司) ("TPGF") on a pro rata basis<sup>5</sup>, and the Proposed IPTs) entered into by the Company, its subsidiaries and/or associated companies, which are considered to be an "entity at risk" within the meaning of Rule 904(2) of the Listing Manual with TPH and/or its associates for the current financial year beginning 1 January 2024 up to the date of this announcement.

#### (c) All Interested Person Transactions for the Current Financial Year

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<sup>5</sup> As announced by the Company on 6 September 2024, the current registered capital of TPGF is RMB500 million, which is below the minimum registered capital requirement of RMB1 billion set by the national financial regulatory authorities for the financial industry. Therefore, to comply with the said financial regulatory requirements and ensure the continued operation of TPGF, all shareholders of TPGF have unanimously agreed to increase the registered capital of TPGF by RMB500 million by contributing additional capital in proportion to their respective existing shareholdings in TPGF. Based on the Company's shareholding percentage in TPGF as at the date of the announcement (i.e., 6 September 2024), the Company shall make an additional capital contribution of RMB150 million, which represents approximately 2.30% of the Group's latest audited NTA of RMB6,528,642,000 as at 31 December 2023. Please refer to the Company's announcement dated 6 September 2024 for further details on the foregoing.



The Company has an existing general mandate for recurrent transactions of a revenue trading nature or those necessary for its day-to-day operations with specified classes of interested persons which was last renewed and approved at the Company's annual general meeting held on 15 May 2024 (the "IPT General Mandate"). For the current financial year beginning 1 January 2024 up to the date of this announcement, there are no interested person transactions (excluding transactions less than S\$100,000) entered into with TPH and/or its associates that are conducted under the IPT General Mandate obtained by the Company pursuant to Listing Rule 920.

Accordingly, the current total value of all interested person transactions (excluding interested person transactions less than S\$100,000 and the Proposed IPTs) entered into by the Company, its subsidiaries and/or associated companies, which are considered to be an "entity at risk" within the meaning of Rule 904(2) of the Listing Manual with TPH and/or its associates for the current financial year beginning 1 January 2024 up to the date of this announcement is approximately RMB155,030,000 (namely, (i) RMB5,030,000, being the amount of transactions made pursuant to the financial services agreement entered into between the Company and TPGF which had been approved by shareholders at the Company's annual general meeting held on 15 May 2023, and (ii) RMB150 million, being the Company's proposed capital contribution to TPGF on a pro rata basis which has been announced on 6 September 2024), representing approximately 2.37% of the Group's latest audited NTA of RMB6,528,642,000 as at 31 December 2023.

#### **7.4 All Related Party Transactions over the Past Twelve (12) Months**

In accordance with the laws of the PRC including the SSE Listing Rules, save for (i) the transactions entered into by the Company with TPH, its subsidiaries and/or associated companies relating to the acceptance of labour services, provision of labour services, lease of properties, lease of housing equipment and purchase of assets with an aggregate value of approximately RMB18,433,239, representing approximately 0.28% of the Company's latest audited net assets attributable to its parent company, (ii) the acquisition of 15% equity interest in TPGF by the Company through a public bidding (公开摘牌) process for a consideration of RMB87,823,860, representing approximately 1.33% of the Company's latest audited net assets attributable to its parent company, (iii) the entry into the two (2) Construction Contracts for Tianjin Small Construction Project (天津市小型建设工程施工合同) between the Company and Tianjin Pharmaceutical Design Institute Co., Ltd. (天津市医药设计院有限公司) of an aggregate contract value of RMB6,764,311, representing approximately 0.10% of the Company's latest audited net assets attributable to its parent company, (iv) the entry into the Enterprise Support Service Agreement (企业支持服务协议) between the Company and Tianjin Pharmaceutical Group Marketing Co., Ltd. (天津医药集团营销有限公司) of a contract value of not more than RMB6,700,000, representing approximately 0.10% of the Company's latest audited net assets attributable to its parent company, and (v) the Company's proposed capital contribution of RMB150 million to TPGF on a pro rata basis, representing approximately 2.27% of the Company's latest audited net assets attributable to its parent company, there are no other related party transactions (excluding transaction(s) which has been approved by shareholders) over the past twelve (12) months immediately preceding the date of this announcement.

#### **7.5 Independent Financial Adviser**

Pursuant to Rule 921(4)(a) of the Listing Manual, RHB Bank Berhad, through its Singapore branch, has been appointed as the independent financial adviser (the "IFA") to opine on whether the Proposed IPTs (including the Proposed Provision of Guarantee), as interested person transactions, are on normal commercial terms and are not prejudicial to the interests of the

Company and its minority Shareholders (the “**IFA Opinion**”). A copy of the letter from the IFA will be included in the Circular (as defined below).

## **7.6 Audit Committee’s Statement**

The audit committee of the Company (the “**Audit Committee**”) as at the date of this announcement comprises Mr. Liew Yoke Pheng Joseph, Mr. Yeo Guat Kwang and Mr. Zhong Ming. The members of the Audit Committee are deemed to be independent for the purposes of the Proposed IPTs (including the Proposed Provision of the Guarantee) as interested person transactions.

The Audit Committee will consider the IFA Opinion before forming its view as to whether the Proposed IPTs (including the Proposed Provision of Guarantee) as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. The view of the Audit Committee will be set out in the Circular.

## **8. 2024 EGM AND CIRCULAR**

As announced by the Company on the same day as this announcement, the Directors are convening an extraordinary general meeting of the Company to be held at the meeting room of Da Ren Tang Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the PRC 300193 (concurrently, a video conferencing at RNN Conference Centre, 137 Cecil Street #12-02 Cecil Building, Singapore 069537 for holders of S-Shares in Singapore) on Tuesday, 29 October 2024 at 2:00 p.m. (the “**2024 EGM**”) to seek shareholders’ approval for the Proposed IPTs (including the Proposed Provision of Guarantee).

A circular to shareholders containing further information on the Proposed IPTs (including the Proposed Provision of Guarantee) as interested person transactions (the “**Circular**”), together with the notice of 2024 EGM and the IFA Opinion, will be despatched to shareholders in due course.

## **9. 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 IPTs (including the Proposed Provision of Guarantee) 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.

## **10. CAUTION IN TRADING**

**Shareholders and potential investors are advised to exercise caution in trading or dealing in the shares of the Company. The Company will make the necessary announcements, in compliance with the requirements of the Listing Manual and the SSE Listing Rules, as and when there are further developments on the Proposed IPTs (including the Proposed Provision of Guarantee) and other matters contemplated by this announcement.**

**Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors, accountants or other professional adviser(s) if they have any doubt about the actions they should take.**

**By Order of the Board**

Jiao Yan  
Secretary to the Board of Directors  
11 September 2024