

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

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

– **UPDATE ON THE POSSIBLE CHAIN OFFERS**

1. INTRODUCTION

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

- (a) the announcements dated 9 October 2018, 15 June 2020, 28 September 2020, 20 December 2020, 22 December 2020 and 1 February 2021 made by the Company in relation to a mixed-ownership reform proposed by the Company’s controlling shareholder, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) (“**TPH**”) in order to effectively implement the general planning of the Tianjin Municipal Committee of the Communist Party of China, Tianjin Municipal People’s Government (“**Tianjin Municipal Government**”) and State-owned Assets Supervision and Administration Commission of Tianjin Municipal People’s Government (“**Tianjin SASAC**”) on promoting the reform of state-owned enterprises (the “**Proposed Mixed-ownership Reform**”);
- (b) the possible chain offers announcement dated 20 December 2020 (the “**Possible Chain Offers Announcement**”) jointly made by DBS Bank Ltd. and Bank of China Limited, Singapore Branch for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the “**Offeror**”) in relation to a possible mandatory conditional cash offer to acquire all the issued and paid-up shares in the capital of the Company (the “**Shares**”) which are listed on the Official List of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**S Shares**”), other than those already owned, controlled or agreed to be acquired by Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (the “**Purchaser**”), the Offeror and TPH (the “**S Shares Chain Offer**”), and a possible mandatory unconditional cash offer by the Purchaser to acquire all the Shares which are listed on the Shanghai Stock Exchange (“**SSE**”) (the “**A Shares**”), other than those A Shares with selling restrictions and those A Shares already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH (the “**A Shares Chain Offer**”, and collectively with the S Shares Chain Offer, the “**Chain Offers**”);
- (c) the corresponding announcement made by the Company on 20 December 2020 in response to the Possible Chain Offers Announcement; and
- (d) the announcement dated 30 December 2020 made by the Company on announcements in relation to the “no actual controller” statement.

2. UPDATE ON THE POSSIBLE CHAIN OFFERS

On 28 February 2021, the Company received a “Notification Letter of Jinhushen Biological Medical Science and Technology Co., Ltd in relation to the Update on Takeover of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited by way of General Offers” (津沪深生物医药有限公司关

于要约收购天津中新药业集团股份有限公司事宜进展情况的告知函) issued by the Purchaser. Details in relation to the update on the possible Chain Offers are set out below.

(1) **Decision-making and/or approval procedures in relation to the possible Chain Offers**

- (a) The Tianjin Municipal People's Government had, on 24 September 2020, issued an "Official Reply of Tianjin Municipal People's Government on the Implementation Plan for the Mixed-ownership Reform of Tianjin Pharmaceutical Holdings Co., Ltd." (天津市人民政府关于天津市医药集团有限公司混合所有制改革实施方案的批复), pursuant to which, the Tianjin Municipal People's Government agrees to the mixed-ownership reform of TPH. This has been disclosed in the announcement dated 28 September 2020 made by the Company in relation to the update on the Proposed Mixed-ownership Reform.
- (b) Subsequently, Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海国有资产经营管理有限公司) ("**Bohai State-owned Assets Management**") commenced the process of officially disclosing the information relating to the proposed transfer of 67% of its equity interest in TPH (the "**Proposed Transfer**") on the website of Tianjin Property Rights Exchange (天津产权交易中心) ("**TPRE**") on 29 September 2020.
- (c) On 21 October 2020, the Purchaser held a board meeting and a general meeting, whereby the Purchaser's participation in the bidding process of the 67% equity interest of TPH as listed on the TPRE by Bohai State-owned Assets Management as an interested transferee was approved.
- (d) On 18 December 2020, the Purchaser was confirmed as the transferee of the Proposed Transfer upon the end of the bidding process.
- (e) On 19 December 2020, the Purchaser held a board meeting and a general meeting, whereby the Purchaser was approved to acquire, in accordance with the *Administrative Measures on the Takeover of Listed Companies* (《上市公司收购管理办法》) (the "**PRC Takeover Measures**"), all the A Shares other than those A Shares with selling restrictions and those A Shares owned by TPH via a general offer after the successful bidding of the 67% equity interest of TPH.
- (f) On 9 December 2020 and 19 December 2020, TPH passed board resolutions to approve the S Shares Chain Offer.
- (g) On 19 December 2020, the Offeror passed board resolutions to approve the S Shares Chain Offer.
- (h) On 19 December 2020, the Purchaser entered into a sale and purchase agreement (the "**SPA**") with Bohai State-owned Assets Management in relation to the acquisition of 67% equity interest in TPH (the "**Acquisition**").
- (i) As stated in the announcement dated 22 December 2020 made by the Company in relation to the update on the Proposed Mixed-ownership Reform, Bohai State-owned Assets Management had received the "Official Reply of State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government on Issues concerning the Indirect Transfer of Shares of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited involved in the Mixed-ownership Reform of

Tianjin Pharmaceutical Holdings Co., Ltd. (Jin Guo Zi Chan Quan [2020] No.47)” (市国资委关于医药集团混改涉及上市公司股份间接转让有关事项的批复(津国资产权[2020]47号)) issued by Tianjin SASAC and pursuant to which, Tianjin SASAC agrees to the indirect transfer of shares of the Company involved in the mixed-ownership reform of TPH. The SPA shall come into force with immediate effect.

- (j) As stated in the announcement dated 1 February 2021 made by the Company in relation to the update on the Proposed Mixed-ownership Reform, the State Administration for Market Regulation (国家市场监督管理总局) (“SAMR”) had issued the “Decision on No Further Review in relation to Anti-monopoly Review on Concentration of Undertakings” (Fan Long Duan Shen Cha Jue Ding [2021] No. 62) (经营者集中反垄断审查不实施进一步审查决定书(反垄断审查决定[2021]62号)) which informed that no further review will be conducted by SAMR on the Acquisition. In relation to those matters other than the anti-monopoly review on concentration of undertakings involved in the Acquisition, they shall be handled in accordance with the relevant laws.

(2) Other information

- (a) The Company has been notified by the Purchaser that, as at the date of this announcement, the Purchaser, Bohai State-owned Assets Management and the other parties involved in the Acquisition are in the process of handling the matters in relation to the completion of the Acquisition in accordance with the SPA, and due to the uncertainties involved, the Purchaser is unable to release the formal offer document in relation to the A Shares Chain Offer within 60 days from the date on which the Purchaser announced the possible A Shares Chain Offer. The Company will make timely disclosures in accordance with the requirements of relevant laws and regulations, and the shareholders of the Company (the “Shareholders”) are advised to check the website of the SGX-ST and/or the Company’s website regularly for updates.
- (b) The Company will monitor the progress of the possible Chain Offers closely, and will announce the updates in accordance with the requirements of the PRC Takeover Measures every 30 days until the date on which the Purchaser releases the formal offer document in relation to the A Shares Chain Offer.
- (c) The media platforms designated by the Company for information disclosure are the China Securities Journal (中国证券报), Shanghai Securities Journal (上海证券报), the website of the SSE (www.sse.com.cn) and the website of the SGX-ST (www.sgx.com). All information in relation to the possible Chain Offers disclosed by the Company shall be subject to the official announcement(s) published on the aforesaid designated media platforms.

Shareholders and potential investors of the Company are advised to exercise caution in trading the Shares in the Company as there is no certainty or assurance as at the date of this announcement that the Proposed Mixed-ownership Reform will be successful or will result in any transaction.

Shareholders and potential investors are advised to read this announcement and any further announcements made by the Company carefully and to refrain from taking any action in respect of their Shares in the Company which may be prejudicial to their interests. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

3. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

BY ORDER OF THE BOARD

Jiao Yan
Secretary to the Board of Directors

18 February 2021