

**TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED**

(Company Registration No.: 91120000103100784F)

(Incorporated in the People's Republic of China)

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**UPDATE ON THE PROPOSED MIXED-OWNERSHIP REFORM**

**- COMPLETION OF INDUSTRIAL AND COMMERCIAL MODIFICATION REGISTRATION AND CHANGE OF THE ACTUAL CONTROLLER OF THE COMPANY**

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*The board of directors (the "Board") and every individual director of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "Company") hereby confirm that they will individually and collectively accept full responsibility for the accuracy of the information given in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated in this announcement are fair and accurate in all material respects as at the date of this announcement, and that there are no material facts the omission of which would make any statement in this announcement misleading.*

The Board 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 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 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 announcement dated 30 December 2020 made by the Company in relation to the "no actual controller" statement; and
- (d) the announcements dated 18 February 2021 and 19 March 2021 made by the Company in relation to update on the possible Chain Offers.

On 26 March 2021, the Company received a notification from TPH on the progress of the Proposed Mixed-ownership Reform.

As at the date of this announcement, TPH holds 42.80% of the total number of issued shares in the capital of the Company.

**1. Update on the Proposed Mixed-ownership Reform**

The Board wishes to inform shareholders of the Company of the following information in relation to

the progress of the Proposed Mixed-ownership Reform as notified by TPH.

- (1) As previously announced on 20 December 2020 by the Company, during the public tender-for-sale (公开挂牌出让) in relation to the proposed transfer of 67% of its equity interest in TPH (the “**Proposed Transfer**”) by 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**”), the Purchaser had been confirmed as the transferee of the Proposed Transfer. Further, on 19 March 2021, the Company announced that, it has been notified by the Purchaser that, as at 19 March 2021, the Purchaser has completed the payment of the consideration for the acquisition of 67% equity interest in TPH (the “**Acquisition**”) in accordance with the sale and purchase agreement entered into between the Purchaser and Bohai State-owned Assets Management on 19 December 2020.
- (2) Tianjin Property Rights Exchange (天津产权交易中心) had issued a “Transaction Certificate for Transfer of State-owned Assets” (国有产权交易凭证) in relation to the Proposed Transfer.
- (3) Further, the Company has been notified that, on 26 March 2021, TPH has completed the industrial and commercial modification registration formalities in relation to the Acquisition. Accordingly, the equity interest held by Bohai State-owned Assets Management will reduce from 100% to 33%, and the Purchaser will hold 67% equity interest in TPH.

## 2. Information on change of actual controller

- (1) As stated in the announcement dated 30 December 2020 made by the Company in relation to, *inter alia*, the supplemental announcement on the “No Actual Controller” statement, the actual controller of the Company is Tianjin SASAC in accordance with the laws of the People’s Republic of China (the “**PRC**”) prior to the Acquisition, and following the completion of the Acquisition, the indirect controlling shareholder of the Company will be changed to the Purchaser, and the Company will have no actual controller since the Purchaser does not have an actual controller in accordance with the laws of the PRC.
- (2) The completion of the Acquisition will not affect the independence of the personnel, the completeness of assets and independence of finance of the Company. The Company will continue to have independent operation capability, independent procurement, production and sales system, independent intellectual property rights and independent legal person status, and continue to maintain the independence or completeness of its management structure, assets, personnel, production and operation and finance, etc.

## 3. Other matters

- (1) As a result of the Acquisition, the Offeror and the Purchaser have made a possible chain offers announcement dated 20 December 2020 on the website of SGX-ST at [www.sgx.com](http://www.sgx.com) and the website of SSE at [www.sse.com.cn](http://www.sse.com.cn) in accordance with the Singapore Code on Take-overs and Mergers and the Administrative Measures on the Takeover of Listed Companies (《上市公司收购管理办法》) (the “**PRC Takeover Measures**”). The Purchaser has also made a separate announcement in relation to the A Shares Chain Offer on 21 December 2020 on the website of SSE at [www.sse.com.cn](http://www.sse.com.cn) in accordance with the PRC Takeover Measures.
- (2) 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](http://www.sse.com.cn)) and the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)). All information in relation to the Proposed Mixed-ownership Reform 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.**

**Shareholders and potential investors are advised to read this announcement and any further announcements 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.**

**By Order of the Board**

Jiao Yan  
Secretary to the Board of Directors  
26 March 2021