TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED
(Company Registration No.120000000004711)
(Incorporated in the People's Republic of China)
(the "Company")

SGX WAIVER FROM COMPLIANCE WITH RULE 730A(1) OF THE LISTING MANUAL IN RESPECT OF HOLDING ALL GENERAL MEETINGS IN SINGAPORE

BACKGROUND

The board of directors (the "**Board**") of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "**Company**") wishes to announce that the Company had, on 4 February 2015, applied to the Singapore Exchange Securities Trading\ Limited (the "**SGX-ST**") for a waiver from compliance with the requirement under Listing Rule 730A(1) of the Listing Manual ("**Rule 730A**") to hold all its general meetings in Singapore (the "**Waiver**"), and for it to continue to hold its general meetings in the People's Republic of China ("**PRC**").

Rule 730A states that an issuer primary-listed on the Exchange shall hold all its general meetings in Singapore, unless prohibited by relevant laws and regulations in the jurisdiction of its incorporation.

The Company is pleased to announce that on 13 February 2015, the SGX-ST had informed the Company that it had no objection to the Waiver, subject to the following conditions:

(a) the Company announcing the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Listing Rule 107; and

(b) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company (the "**Confirmation**");

(c) submission of a written undertaking from the Company that the Company will make appropriate arrangements such as video conferencing to enable shareholders in Singapore to meaningfully participate in, to follow the proceedings and to vote at the general meetings (the "**Undertaking**"); and

(d) the SGX reserving the right to amend and/or vary its decision, and such decision is subject to the continued validity of the Company's justifications and changes in SGX's policies.

BASIS FOR WAIVER APPLICATION

The Company's reasons for seeking the Waiver are as follows:

1. The Company is incorporated in the PRC. As at 31 December 2014, the total number of shareholders in the Company (the "**Shareholders**") is 30,823, out of which 28,720 Shareholders are based in the PRC, and 2,103 Shareholders are based in Singapore. Therefore, the number of PRC Shareholders represents more than 90% of the total number of Shareholders.

2. As at 31 December 2014, approximately 72.95% of the total voting rights of the Company are held by A-Shareholders based in the PRC, and the remaining 27.05% of the total voting rights are held by S-Shareholders whom are not based in the PRC.

3. The relevant PRC regulations applicable to the Company are as follows:

    i. Article 8 of the *Rules of Management of Listed Company* promulgated by the China Security Regulatory Commission (the "**CSRC**"), which states that venue selection shall to the largest extent allow and facilitate the largest number of shareholders to attend the shareholders' meeting.

    ii. Article 20 of the *Rules of the Shareholders' Meeting of Publicly Listed Company* promulgated by the CSRC, which provides that the shareholders' meeting of a listed company shall be convened at the company's place of domicile or at the place stated in its articles of association.

    Although there is no express requirement under PRC laws for general meetings to be held in the PRC, the Company has obtained its PRC counsel's legal opinion that based on the relevant applicable PRC regulations and the shareholding breakdown of the Company, the Company's shareholders' meetings should be held in the PRC.

4. The relevant procedures of the Company are as follows:

    i. Article 44 of the *Rules of Procedure of the Shareholders' Meeting (*the "**Rules of Procedure"**) formulated by the Company provides that the shareholders' meeting of a listed company shall be convened at the Company's place of domicile or at the place stated in its articles of association.

    ii. Article 27 of the Rules of Procedure provides that the issue of venue for the shareholders' meeting shall be decided by the Board and shall facilitate the largest number of Shareholders' attendance at the shareholders' meeting.

    iii. Article 67 of the *Articles of Association of the Company* (the "**AOA"**) formulated by the Company provides that the Board shall determine the date and venue of general meetings.

    Accordingly, the issue of venue of the shareholders' meeting shall be decided by the Board. As the venue for the shareholders' meeting is not explicitly specified in the AOA, the shareholders' meeting shall be convened at the Company's place of domicile.

5. The Company has a large number of PRC Shareholders. In order to facilitate the largest number of Shareholders' attendance at its shareholders' meetings, the Company has always held its general meetings in the PRC in the past, and wishes to continue to do so.

6. The Company will make arrangements such as video conferencing or webcasts to enable Shareholders based in Singapore to follow the proceedings during the general meetings.

7. Poll voting is not prohibited in the PRC. The Company has always done poll voting in previous shareholder meetings, and undertakes to include votes from Shareholders who participate in the meeting via video conferencing.

MISCELLANEOUS

The Company will submit the Confirmation and the Undertaking to the SGX in due course.

By Order of the Board

13 February 2015