

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

RESOLUTION PASSED AT THE 7TH BOARD MEETING FOR FY2020

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 Company had on 11 September 2020 issued a notice of board meeting to its directors in respect of the 7th board meeting for the financial year ending 31 December 2020 (“FY2020”), and the board meeting was duly convened by means of live meeting and telephone conference on 22 September 2020. The said meeting was convened in compliance with the applicable Companies Law, Securities Law and the Articles of Association of the Company, and the following resolution were discussed and passed by the 9 directors out of the full board of 9 directors:

That, the proposed adjustment to the utilisation limit of self-owned funds by the Company for cash management be approved;

On 17 April 2020, the Company duly convened its 3rd Board meeting, and the Board approved the proposed use of self-owned funds by the Company of no more than RMB280 million for cash management. For the purposes of further enhancing the efficiency of the use of self-owned funds by the Company, and obtaining higher capital gains on a safe and risk-free basis, the Company is proposing to adjust the limit of using self-owned funds for cash management to RMB480 million.

In order to enhance the efficiency of the use of self-owned funds by the Company and provided that the safety and usage of funds of the Company will not be affected, the Board has approved that the Company may, according to the actual needs of the Company, use its temporarily idle self-owned funds up to an amount not exceeding RMB480 million (which accounted for approximately 8.91% of the Company's latest audited net asset value for the financial year ended 31 December 2019) for cash management so as to increase capital gains and seek better returns on investment for the Company and its shareholders. The term of the investment products under the cash management shall not exceed 12 months from the date of approval by the Board, and the funds can used on a rolling basis within the above-mentioned adjusted limit.

By order of the Board

Jiao Yan
Company Secretary
22 September 2020