

**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**

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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 the announcements dated 9 October 2018, 15 June 2020, 28 September 2020, 20 December 2020 and 22 December 2020 made by the Company in relation to the Proposed Mixed-ownership Reform (the "**Prior Announcements**").

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the Prior Announcements.*

1. As stated in the announcement dated 28 September 2020 made by the Company in relation to the update on the Proposed Mixed-ownership Reform, 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**") would commence the process of officially disclosing the information relating to the proposed transfer of 67% of its equity interest in Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("**TPH**") (the "**Proposed Transfer**") on the website of Tianjin Property Rights Exchange (天津产权交易中心) on 29 September 2020 in accordance with the requirements of the *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (《企业国有资产交易监督管理办法》).

As stated in the announcement dated 20 December 2020 made by the Company in relation to the update on the Proposed Mixed-ownership Reform and potential change of the actual controller of the Company, during the public tender-for-sale (公开挂牌出让) in relation to the Proposed Transfer, Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (the "**Purchaser**") had been confirmed as the transferee of the Proposed Transfer.

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**").

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 Tianjin State-owned Assets Supervision and Administration Commission 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 State-owned Assets Supervision and Administration Commission ("**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 conditions in relation to the effectiveness of the SPA have all been fulfilled, and the SPA shall come into force with immediate effect.

On 1 February 2021, the Company was notified by its controlling shareholder, TPH, that 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 on the Acquisition by SAMR. 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. Impact on the Company and notification of risks

- (1) In accordance with the SPA, Bohai State-owned Assets Management and the Purchaser shall procure and assist TPH to complete the industrial and commercial modification registration formalities in relation to the Acquisition within 80 working days from the date on which the full amount of the Consideration and the corresponding interest for deferred payment have been paid by the Purchaser.
- (2) If the Proposed Mixed-ownership Reform can be successfully implemented, 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, 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.
- (3) The Company will monitor the progress of the Proposed Mixed-ownership Reform closely, and will make timely disclosures in accordance with the requirements of relevant laws and regulations.
- (4) 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 Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and the website of the Singapore Exchange Securities Trading Limited ([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 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 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  
1 February 2021