

ANNEXURE DATED 30 APRIL 2025

THIS ANNEXURE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Annexure is issued by Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited (formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited) (the “Company”). **If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.**

If you have sold all your shares in the capital of the Company, you should immediately hand this Annexure, the Notice of Annual General Meeting and attached Proxy Form to the purchaser or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Annexure.



**TIANJIN PHARMACEUTICAL DA REN TANG
GROUP CORPORATION LIMITED**

(Incorporated in the People's Republic of China)
(Company Registration No.: 91120000103100784F)

**ANNEXURE TO
THE NOTICE OF ANNUAL GENERAL MEETING**

in relation to

**THE PROPOSED CESSATION, ADJUSTMENT OF INVESTMENT SCALE AND TERMINATION
OF THE PROJECTS FUNDED BY THE PROCEEDS (AS DEFINED HEREIN) FROM THE
PLACEMENT (AS DEFINED HEREIN) AND THE PERMANENT REALLOCATION OF THE
REMAINING PROCEEDS TO WORKING CAPITAL**

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DEFINITIONS

The following definitions apply throughout this Annexure unless the context otherwise requires:-

<i>“2025 AGM”</i>	:	The AGM of the Company to be held at the meeting room of Da Ren Tang Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the PRC 300193 (concurrently, via video conferencing at RNN Conference Centre, GB Building, 143 Cecil Street, Level 11, #11-03, Singapore 069542 for S-Share Shareholders in Singapore) on Thursday, 15 May 2025 at 1:30 p.m.
<i>“A-Shares”</i>	:	Ordinary shares issued by the Company under the PRC Company Law, comprising shares issued to natural and legal persons in the PRC and which are denominated in RMB and listed on the SSE
<i>“A-Share Shareholders”</i>	:	Holders of A-Shares
<i>“AGM” or “Annual General Meeting”</i>	:	An annual general meeting of the Company
<i>“Annexure”</i>	:	This annexure dated 30 April 2025 to the Notice of AGM
<i>“Articles” or “Articles of Association”</i>	:	The articles of association of the Company, as amended, modified and/or supplemented from time to time
<i>“associated company”</i>	:	<p>In relation to a corporation, means:</p> <ul style="list-style-type: none">(i) any corporation in which the corporation or its subsidiary has, or the corporation and its subsidiary together have, a direct interest in voting shares of not less than twenty per cent. (20%) but not more than fifty per cent. (50%) of the total votes attached to all voting shares in the corporation; or(ii) any corporation, other than a subsidiary of the corporation or a corporation which is an associated company by virtue of paragraph (a), the policies of which the corporation or its subsidiary, or the corporation together with its subsidiary, is or are able to control or influence materially
<i>“Board” or “Board of Directors”</i>	:	The board of Directors of the Company from time to time
<i>“Bohai Bank”</i>	:	China Bohai Bank Co., Ltd., Tianjin Branch

DEFINITIONS

<i>“Bozhou Company”</i>	:	Tianjin Da Ren Tang (Bozhou) Chinese Medicine Co., Ltd. (天津达仁堂 (亳州) 中药饮片有限公司), being the designated implementation entity for the Bozhou Industrial Park Construction Project and a wholly-owned subsidiary of the Company as at the Latest Practicable Date
<i>“Bozhou Industrial Park Construction Project”</i>	:	<p>The Bozhou Industrial Park Construction Project, with the Bozhou Company as the designated implementation entity, comprising the following two (2) sub-projects:</p> <p>(i) the Chinese Medicine Extraction and Preparation Project; and</p> <p>(ii) the Project on Chinese Medicine Decoction Pieces</p>
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Chinese Medicine Extraction and Preparation Project”</i>	:	A sub-project under the Bozhou Industrial Park Construction Project, occupying a land area of approximately 80,000 square meters. The project involved, <i>inter alia</i> , the development of new production workshops, extraction workshops, warehouses, a comprehensive office building, and other auxiliary facilities. Please refer to Section 2.4.2(a)(i) of this Annexure for further details on this sub-project
<i>“Company”</i>	:	Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited
<i>“Construction Bank”</i>	:	China Construction Bank, Tianjin Hebei Branch
<i>“control”</i>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<i>“Controlling Shareholder”</i>	:	<p>A person who:</p> <p>(i) holds directly or indirectly fifteen per cent. (15%) or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or</p> <p>(ii) in fact exercises control over the Company</p>

DEFINITIONS

<i>“CSRC”</i>	:	China Securities Regulatory Commission (中国证券监督管理委员会)
<i>“Directors”</i>	:	The directors of the Company as at the Latest Practicable Date, and <i>“Director”</i> shall be construed accordingly
<i>“Designated Account #1”</i>	:	The designated account opened by the Company with Bohai Bank, in which the Proceeds were originally designated for the Wellness and Functional Vegetable Beverages Project (which was replaced by the Phase I Dripping Pill Manufacturing Base Project in 2018), and the Bozhou Industrial Park Construction Project
<i>“Designated Account #2”</i>	:	The designated account opened by the Company with ICBC, in which the Proceeds shall only be used for the Terminal Marketing Network and Promotional System Project
<i>“Designated Account #3”</i>	:	The designated account opened by Bozhou Company with Construction Bank, in which the Proceeds shall only be used for the Bozhou Industrial Park Construction Project
<i>“Designated Accounts”</i>	:	The Designated Account #1, the Designated Account #2, and the Designated Account #3, collectively
<i>“EGM” or “Extraordinary General Meeting”</i>	:	An extraordinary general meeting of the Company
<i>“FY” or “Financial Year”</i>	:	Financial year ended or, as the case may be, ending 31 December
<i>“FY2024”</i>	:	Financial year ended 31 December 2024
<i>“FY2025”</i>	:	Financial year ending 31 December 2025
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“ICBC”</i>	:	Industrial and Commercial Bank of China, Tianjin Chengdu Road Branch
<i>“Jinlian Zhida”</i>	:	Tianjin Jinlian Zhida Business Information Consulting Co., Ltd, being the other shareholder of Bozhou Company prior to the shareholding adjustment in 2018, at which time Jinlian Zhida held 29% equity interest and the Company held 71% equity interest in Bozhou Company. Please refer to Sections 2.3 and 2.4.2 of this Annexure for further details

DEFINITIONS

<i>“Latest Practicable Date”</i>	:	17 April 2025, being the latest practicable date prior to the despatch of this Annexure
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST, as amended, modified and/or supplemented from time to time
<i>“Net Proceeds”</i>	:	RMB814,340,000.00, being the amount obtained after deducting the expenses relating to the Placement from the Proceeds, as further elaborated in Section 2.2 of this Annexure
<i>“Notice of AGM”</i>	:	The notice of the 2025 AGM dated 30 April 2025
<i>“Phase I Dripping Pill Manufacturing Base Project”</i>	:	An intelligent manufacturing base (Phase I) comprising facilities for the production of Suxiao Jiuxin Wan (速效救心丸), including production workshops, a wastewater treatment station, a fire pump room with water tanks, as well as supporting infrastructure such as internal roads, landscaping, and gatehouses. This project replaces the “Wellness and Functional Vegetable Beverages Project”, which was approved by Shareholders at the Company’s EGM held on 9 October 2018. Please refer to Section 2.4.3 of this Annexure for further details on this project
<i>“Placement”</i>	:	The placement of 29,564,356 A-Shares with a par value of RMB1.00 per share at an issue price of RMB28.28 per share to the designated investors, conducted by the Company in 2015, as further elaborated in Section 2.2 of this Annexure
<i>“Placement Agent”</i>	:	China Galaxy Securities Co., Ltd, being the placement agent of the Placement
<i>“PRC”</i>	:	People’s Republic of China
<i>“PRC Company Law”</i>	:	The Company Law of the PRC (《中华人民共和国公司法》), as amended, modified and/or supplemented from time to time
<i>“Proceeds”</i>	:	RMB836,079,987.68, being the aggregate amount of proceeds raised from the Placement

DEFINITIONS

<i>“Project on Chinese Medicine Decoction Pieces”</i>	:	A sub-project under the Bozhou Industrial Park Construction Project, occupying a land area of approximately 48,000 square meters. The project primarily involved, <i>inter alia</i> , the construction of new production workshops, warehouses, an integrated quality inspection and office building, as well as other supporting facilities and auxiliary buildings. Please refer to Section 2.4.2(b) of this Annexure for further details on this sub-project
<i>“Projects”</i>	:	<p>The following investment projects funded by the Proceeds:</p> <ul style="list-style-type: none"> (i) Terminal Marketing Network and Promotional System Project; (ii) Bozhou Industrial Park Construction Project; and (iii) Phase I Dripping Pill Manufacturing Base Project (which replaced the originally proposed Wellness and Functional Vegetable Beverages Project in 2018)
<i>“Proposed Cessation of Projects and Reallocation of Proceeds”</i>	:	The proposed cessation, adjustment of investment scale and termination of the Projects funded by the Proceeds from the Placement and the permanent reallocation of the remaining Proceeds to working capital
<i>“Proxy Form”</i>	:	The proxy form in respect of the 2025 AGM
<i>“Register of Members”</i>	:	The register of members of the Company as maintained by the Company’s S-Shares Registrar and Singapore Shares Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd.
<i>“Restricted A-Shares”</i>	:	A-Shares granted under the Scheme which shall be subject to the terms and conditions of the Scheme
<i>“S-Shares”</i>	:	Ordinary shares issued by the Company under the PRC Company Law, comprising shares issued to natural and legal persons in countries other than PRC and which are denominated in US\$ and are listed on the Official List of the SGX-ST
<i>“S-Share Shareholders”</i>	:	Holders of S-Shares

DEFINITIONS

<i>“Scheme”</i>	:	The 2019 Restricted A-Share Incentive Scheme (2019年A股限制性股票计划) of the Company which was established to further improve the long-term incentive mechanism of the Company, attract and retain outstanding talents, fully motivate the key personnel of the Company, and align the interests of the Shareholders and the Company with the individual interests of the members of management team of the Company so that all parties will make joint efforts for the long-term development of the Company, and the incentive instruments to be issued under the Scheme are A-Shares only and the participants who were eligible to participate in the Scheme which include directors, members of senior management, members of the management team of the Company that the Board considers should be motivated, leading-level scientific research experts, core personnel for scientific research and technology and members of core management team of the subordinate enterprises of the Company (excluding the Company’s associated companies). Please refer to the Company’s circular dated 15 November 2019 for further details
<i>“Securities Accounts”</i>	:	The securities account maintained with CDP, but not including the securities accounts maintained with a Depository Agent
<i>“SFA”</i>	:	The Securities and Futures Act 2001 of Singapore, as amended, modified and/or supplemented from time to time
<i>“SGXNET”</i>	:	Singapore Exchange Network, the corporate announcement system maintained by the SGX-ST for the submission of information and announcements by listed companies
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	Registered holders of Shares (comprising A-Share Shareholders and S-Share Shareholders) except that where the registered holder is CDP, the term <i>“Shareholders”</i> in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company, comprising A-Shares and S-Shares
<i>“SSE”</i>	:	Shanghai Stock Exchange

DEFINITIONS

<i>“SSE Listing Rules”</i>	:	The Listing Rules of Shanghai Stock Exchange (《上海证券交易所股票上市规则》), as amended, modified and/or supplemented from time to time
<i>“subsidiaries”</i>	:	The subsidiaries of a corporation as determined in accordance with the laws of the PRC or Singapore (as the case may be), and “subsidiary” shall be construed accordingly
<i>“Substantial Shareholder”</i>	:	A person who has an interest or interests in one (1) or more voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, represent not less than five per cent. (5.0%) of the total votes attached to all the voting Shares (excluding treasury shares) in the Company
<i>“Supervision Agreement #1”</i>	:	The supervision agreement entered into among the Company, the Placement Agent, and Bohai Bank in relation to the Designated Account #1
<i>“Supervision Agreement #2”</i>	:	The supervision agreement entered into among the Company, the Placement Agent and ICBC in relation to the Designated Account #2
<i>“Supervision Agreement #3”</i>	:	The supervision agreement entered into among the Company, Bozhou Company, the Placement Agent and Construction Bank in relation to the Designated Account #3
<i>“Supervision Agreements”</i>	:	The Supervision Agreement #1, the Supervision Agreement #2, and the Supervision Agreement #3, collectively
<i>“Supervisory Committee”</i>	:	The supervisory committee of the Company from time to time and, as at the Latest Practicable Date, comprising Mr. Wang Yuanxi, Ms. Xie Xi, and Ms. Guo Xiumei. The Supervisory Committee is responsible for, amongst others, supervising the acts of directors and senior managerial personnel in the performance of their duties of the Company, and putting forward proposals of dismissing the directors and senior managerial personnel who act in violation of laws, administrative regulations, the Articles of Association or resolutions of the general meeting of Shareholders, as well as performing such other functions and responsibilities as more particularly described in the Articles of Association
<i>“Terminal Marketing Network and Promotional System Project”</i>	:	A project primarily aimed at the development of the Company’s terminal marketing system, the academic promotion of promising prescription drugs, and the enhancement of advertising efforts for core over-the-counter (OTC) products. Please refer to Section 2.4.1 of this Annexure for further details on this project

DEFINITIONS

“TPH” : Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司), the Controlling Shareholder of the Company holding approximately 42.99% of the issued share capital of the Company as at the Latest Practicable Date

“Wellness and Functional Vegetable Beverages Project” : A production project with a planned annual output of 50,000 tonnes, intended for the production of functional herbal beverages to build the Company’s presence in the wellness industry and to enrich its product portfolio. This project was subsequently replaced by the Phase I Dripping Pill Manufacturing Base Project in 2018. Please refer to the Company’s circular dated 24 September 2018 for further information

Currencies, units and others

“RMB” : Renminbi, the lawful currency of the PRC

“US\$” : United States Dollars, the lawful currency of the United States of America

“%” or “per cent.” : Percentage or per centum

The terms “**Depositor**”, “**Depository**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Annexure to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Listing Manual, the SFA or any statutory modification thereof and not otherwise defined in this Annexure shall, where applicable, have the same meaning ascribed to it under the Listing Manual, the SFA or any statutory modifications thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of a day in this Annexure is a reference to Singapore time, unless otherwise stated.

Any discrepancies in this Annexure between the sum of the figures stated and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Annexure may not be an arithmetic aggregation of the figures which precede them.

The English names of certain PRC companies, entities and authorities in this Annexure are translations of their Chinese names, as there is no requirement for these companies, entities and authorities to have official English names. In case of any discrepancy, conflict or inconsistency among English translations, please refer to the original Chinese names.

LETTER TO SHAREHOLDERS

TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED

(Incorporated in the People's Republic of China)
(Company Registration No.: 91120000103100784F)

Board of Directors

Ms. Wang Lei

(Chairman and Executive Director)

Mr. Guo Min

(Executive Director)

Mr. Zhou Hong

(Executive Director)

Mr. Shang Mingjie

(Executive Director)

Ms. Mao Weiwen

(Non-Executive and Non-Independent Director)

Mr. Xing Jianhua

(Non-Executive and Non-Independent Director)

Mr. Yeo Guat Kwang

(Lead Independent and Non-Executive Director)

Mr. Liew Yoke Pheng Joseph

(Independent and Non-Executive Director)

Mr. Zhong Ming

(Independent and Non-Executive Director)

Registered Office

17 Baidi Road,
Nankai District,
Tianjin, the PRC

30 April 2025

To: The Shareholders of Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited

Dear Sir/Madam

THE PROPOSED CESSATION, ADJUSTMENT OF INVESTMENT SCALE AND TERMINATION OF THE PROJECTS FUNDED BY THE PROCEEDS FROM THE PLACEMENT AND THE PERMANENT REALLOCATION OF THE REMAINING PROCEEDS TO WORKING CAPITAL

1. INTRODUCTION

1.1 Overview

We refer to the Notice of AGM of the Company dated 30 April 2025 convening the 2025 AGM and, in particular, to Resolution 12, relating to the proposed cessation, adjustment of investment scale and termination of the Projects funded by the Proceeds from the Placement and the permanent reallocation of the remaining Proceeds to working capital (the “**Proposed Cessation of Projects and Reallocation of Proceeds**”), as further elaborated in Section 2 below.

1.2 Purpose of this Annexure

The purpose of this Annexure is to provide Shareholders with information pertaining to, and to seek Shareholders' approval for, the Proposed Cessation of Projects and Reallocation of Proceeds, at the forthcoming 2025 AGM to be held at the meeting room of Da Ren Tang

LETTER TO SHAREHOLDERS

Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the PRC 300193 (concurrently, via video conferencing at RNN Conference Centre, GB Building, 143 Cecil Street, Level 11, #11-03, Singapore 069542 for S-Share Shareholders in Singapore) on Thursday, 15 May 2025 at 1:30 p.m..

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

1.3 SGX-ST

The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Annexure.

1.4 Legal Adviser

Shook Lin & Bok LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Cessation of Projects and Reallocation of Proceeds.

2. THE PROPOSED CESSATION OF PROJECTS AND REALLOCATION OF PROCEEDS

2.1 Background

To support the Company's business development needs and enhance the efficiency in the use of the Proceeds, and based on the Company's actual operating conditions and future development plans, the Company proposes to cease three (3) investment projects funded by the Proceeds (including the proposed termination of one (1) sub-project), and to permanently reallocate the remaining Proceeds, amounting to approximately RMB207.27 million (inclusive of the net cumulative interest income in the Designated Accounts as at 31 December 2024, with the actual amount subject to the balance in the Designated Accounts at the time of reallocation), to working capital (i.e. the Proposed Cessation of Projects and Reallocation of Proceeds).

Following the permanent reallocation, the remaining Proceeds will be used to support the Company's day-to-day operations related to its principal business, including the settlement of outstanding contract balances and warranty deposits.

The Placement Agent has issued a clear and affirmative opinion in support of the Proposed Cessation of Projects and Reallocation of Proceeds.

The Proposed Cessation of Projects and Reallocation of Proceeds was approved by the Board and the Supervisory Committee at the Company's 1st Board and 1st Supervisory Committee meetings for FY2025, held on 28 March 2025, respectively, and remains subject to Shareholders' approval at the 2025 AGM.

The details are set out below.

LETTER TO SHAREHOLDERS

2.2 Information on the Placement and the Proceeds

In June 2014, to capitalise on development opportunities in the Chinese medicine industry, the Company, considering the prevailing market conditions and growth potential at the time, planned to raise funds through the capital markets to further develop its core business and enhance its competitiveness. To this end, the Company proposed to conduct a private placement of A-Shares, which would be listed on the SSE upon the expiry of the lock-up period provided in the plan for the Placement. The Placement was intended to be offered to no more than ten (10) designated placees, all of whom were required to be qualified investors (such as securities investment fund management companies, securities companies, and trust and investment companies). The Placement was to be conducted at an appropriate time within six (6) months of receiving approval from the CSRC. The funds raised from the Placement were planned to be allocated to projects aligned with the Company's development strategy.

The Placement was approved by Shareholders at the Company's EGM held on 18 August 2014.

Following the written approval from the CSRC received by the Company on 8 June 2015, the Company issued 29,564,356 A-Shares with a par value of RMB1.00 per share at an issue price of RMB28.20 per share on 19 June 2015, and the Proceeds from the Placement amounted to RMB836,079,987.68. After deducting the expenses relating to the Placement, the Net Proceeds amounted to approximately RMB814,340,000.00.

The Proceeds were deposited into the Designated Accounts on 25 June 2015. Ruihua Certified Public Accountants LLP, on 26 June 2015, issued a proceeds verification report confirming that the Proceeds raised from the Placement were duly deposited into the Designated Accounts.

To ensure proper management of the Proceeds and safeguard investor interests, and in compliance with the applicable laws, regulations, and rules, the tripartite Supervision Agreements (i.e. the Supervision Agreement #1, the Supervision Agreement #2, and the Supervision Agreement #3) were entered into among the Company, Bozhou Company, the Placement Agent, and the respective designated banks. The Company has strictly complied with the applicable laws, regulations and rules in depositing, utilising, and managing the Proceeds, and has been providing Shareholders with regular updates via announcements published on the website of the SSE and via SGXNET.

LETTER TO SHAREHOLDERS

As at 31 December 2024, the Company utilised RMB669,880,100 from the Net Proceeds for the Projects, and generated RMB62,811,700 in interest income and returns from financial management. The balance of the Net Proceeds in the Designated Accounts was RMB8,271,600 as at 31 December 2024. The detailed breakdown is as follows:

No.	Items	Amount (RMB)
1	Net Proceeds	814,340,000
2	Temporary Use for Cash Flow ¹	(199,000,000)
3	Expenditure on the Projects	669,880,100
4	Interest income and returns from financial management	62,811,700
5	Balance of the Net Proceeds	8,271,600
	Where: Balance in the Designated Accounts	8,271,600

2.3 Utilisation of the Proceeds for the Projects

As at 31 December 2024, details of the utilisation of the Proceeds for the Projects and the remaining Proceeds are set out below:

Proposed projects	Replaced projects	Proposed investment amount (RMB million) ⁽¹⁾	Adjusted investment amount (RMB million) ⁽¹⁾	Total utilisation of Proceeds (RMB million) ⁽¹⁾	Remaining Proceeds (RMB million) ⁽¹⁾	Project status
Terminal Marketing Network and Promotional System Project	–	310.42	310.42	307.70	2.72	To be ceased

¹ At the Company's 3rd Board meeting for FY2024 held on 13 August 2024, the Board approved the continuous temporary use of an amount of RMB230 million from the Net Proceeds for the Company's cash flow purposes within a 12-month period.

As disclosed in the Company's announcement dated 14 August 2024 in relation to the update on the Placement in relation to the temporary use of part of the Net Proceeds for the cash flow of the Company, the said amount of RMB230 million shall only be used for the Company's operations in relation to its main businesses, and shall not be directly or indirectly used for the placements or subscription of new shares, or trading in shares or derivatives thereof and convertible securities. Upon the expiry of the 12-month term of temporary use, the Company shall return the RMB230 million in full to the Designated Accounts in a timely manner. In the event that there is a need to utilise the Net Proceeds for the Projects due to accelerated construction progress, and the balance in the Designated Accounts is insufficient to meet the payment requirements, the Company shall promptly return the temporarily used funds to the Designated Accounts to meet the relevant payment obligations.

As at the Latest Practicable Date, RMB199 million out of the RMB230 million has been applied towards working capital purposes, including the procurement of raw materials and other day-to-day operational expenses relating to the Group's principal businesses, and has not yet been returned to the Designated Accounts. The usage of such Proceeds is consistent with the scope approved by the Board and as disclosed in the announcement dated 14 August 2024.

Please refer to the Company's announcement dated 14 August 2024 for further details.

LETTER TO SHAREHOLDERS

Proposed projects	Replaced projects	Proposed investment amount (RMB million) ⁽¹⁾	Adjusted investment amount (RMB million) ⁽¹⁾	Total utilisation of Proceeds (RMB million) ⁽¹⁾	Remaining Proceeds (RMB million) ⁽¹⁾	Project status
Bozhou Industrial Park Construction Project – Chinese Medicine Extraction and Preparation Project	–	127.50	54.00 ⁽²⁾	–	54.00	To be terminated
Bozhou Industrial Park Construction Project – Project on Chinese Medicine Decoction Pieces	–	76.50	150.00 ⁽²⁾	144.78	5.22	To be ceased
Wellness and Functional Vegetable Beverages Project	–	299.92 ⁽³⁾	9.93	9.93	–	Changed ⁽²⁾
Wellness and Functional Vegetable Beverages Project	Phase I Dripping Pill Manufacturing Base Project ⁽²⁾	–	289.99 ⁽³⁾	207.47	82.52	To be ceased
Subtotal	N/A	814.34	814.34	669.88	144.46	N/A
Interest income and returns from financial management	–	–	–	–	62.81	N/A
Total	N/A	814.34	814.34	669.88	207.27	N/A

Notes:

- (1) The amounts presented in this column have been rounded to two (2) decimal places.
- (2) On 9 August 2018, the Company duly convened its 4th Board meeting and 5th Supervisory Committee meeting for the financial year ended 31 December 2018, at which the Board and the Supervisory Committee considered and approved, amongst others, the following resolutions (the “Proposals”):
- (i) the proposed change in the use of the Net Proceeds raised from the Placement, whereby the Company proposed to replace the “Wellness and Functional Vegetable Beverages Project” with the “Phase I Dripping Pill Manufacturing Base Project”; and
 - (ii) the proposed change in shareholding in Bozhou Company and the amount of the Net Proceeds in relation to Bozhou Company.

The Bozhou Industrial Park Construction Project was initially planned to be funded through proportionate capital contributions from all shareholders of Bozhou Company, being the designated implementation entity. However, as the project progressed, Tianjin Jinlian Zhida Business Information Consulting Co., Ltd (i.e. Jinlian Zhida), being the other shareholder of Bozhou Company at the time, adjusted its investment strategy and proposed to transfer its 29% equity interest in Bozhou Company. To ensure the project proceeded as planned, the Company acquired the said 29% equity interest in the Bozhou Company from Jinlian Zhida. Following this equity acquisition, and to enhance the supervision and management of the utilisation of the Proceeds, the Company re-allocated the amount of the Proceeds to be invested in the two (2) sub-projects (i.e. the Chinese Medicine Extraction and Preparation Project, and the Project on Chinese Medicine Decoction Pieces) under the Bozhou Industrial Park Construction Project, prioritising their construction sequence. This involved re-allocating RMB150 million to the Project on Chinese Medicine Decoction Pieces, and allocating the remaining RMB54 million to the Chinese Medicine Extraction and Preparation Project.

LETTER TO SHAREHOLDERS

On 9 October 2018, the Company held its 2nd EGM in 2018, at which the Proposals were duly approved by Shareholders.

Please refer to the Company's circular dated 24 September 2018 and its announcement dated 9 October 2018 for further details.

- (3) The Company initially allocated RMB299.92 million of the Net Proceeds for the Wellness and Functional Vegetable Beverages Project, of which RMB9.93 million had already been utilised before the project was proposed to be replaced with the Phase I Dripping Pill Manufacturing Base Project. Accordingly, the remaining RMB289.99 million from the allocated Proceeds was re-allocated to the Phase I Dripping Pill Manufacturing Base Project. The shortfall in funding required for the Phase I Dripping Pill Manufacturing Base Project was covered by the Company's internal resources.

2.4 Main Reasons for the Proposed Cessation of Projects and the Unutilised Proceeds

2.4.1 Terminal Marketing Network and Promotional System Project

The Terminal Marketing Network and Promotional System Project was originally planned to utilise RMB310.42 million from the Net Proceeds, primarily for the development of the Company's terminal marketing system, academic promotion of promising prescription drugs, and enhancement of advertising efforts for core over-the-counter (OTC) products. This project had a planned implementation period of three (3) years.

During the course of implementation, changes in the pharmaceutical industry landscape, along with the mixed-ownership reform carried out by TPH, the Company's organisational restructuring, and other transformations, led the Company to adopt a more prudent approach in utilising marketing expenses. The Company remained compliant with all applicable laws and regulations while ensuring the effective expansion of its sales network.

As at 31 December 2024, this project has successfully completed:

- (i) 54 terminal marketing system development initiatives;
- (ii) 10 medical terminal network establishment projects;
- (iii) 40 OTC product advertising enhancement programs; and
- (iv) 12 academic promotion initiatives for promising prescription drugs, including Suxiao Jiuxin Wan (速效救心丸) and Tongmai Yangxin Wan (通脉养心丸).

As at 31 December 2024, the total utilisation of the Proceeds for this project amounted to approximately RMB307.70 million, leaving a balance of approximately RMB2.72 million. The Company is of the view that the Terminal Marketing Network and Promotional System Project has achieved its intended objectives, and therefore proposes to formally cease this project, with the remaining RMB2.72 million classified as the unutilised Proceeds.

2.4.2 Bozhou Industrial Park Construction Project

As mentioned above, on 9 October 2018, the Company held its 2nd EGM in 2018, at which the proposed change in the amount of the Net Proceeds raised from the Placement in relation to Bozhou Company was approved by Shareholders. The Bozhou Industrial Park Construction Project was initially planned to be funded through proportionate capital contributions from all shareholders of Bozhou Company, being the designated implementation entity. However, as the project progressed, Jinlian Zhida, being the other shareholder of Bozhou Company at the time, adjusted its investment strategy and proposed

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to transfer its 29% equity interest in Bozhou Company. To ensure the project proceeded as planned, the Company acquired the said 29% equity interest in Bozhou Company from Jinlian Zhida. Following this equity acquisition, and to enhance the supervision and management of the utilisation of the Proceeds, the Company re-allocated the amount of the Proceeds to be invested in the two (2) sub-projects (i.e. the Chinese Medicine Extraction and Preparation Project, and the Project on Chinese Medicine Decoction Pieces) under the Bozhou Industrial Park Construction Project, prioritising their construction sequence. This involved re-allocating RMB150 million to the Project on Chinese Medicine Decoction Pieces, and allocating the remaining RMB54 million to the Chinese Medicine Extraction and Preparation Project.

(a) Bozhou Industrial Park Construction Project – Chinese Medicine Extraction and Preparation Project

(i) Original Plan and Utilisation of Proceeds for the Project

Following the reallocation of the Proceeds as mentioned above, the Bozhou Industrial Park Construction Project – Chinese Medicine Extraction and Preparation Project was planned to utilise RMB54 million from the Proceeds. The planned construction scope included the development of new production workshops, extraction workshops, warehouses, a comprehensive office building, and other auxiliary facilities, as well as procurement of Chinese medicine extraction equipment; production and packaging equipment for tablets, granules, decoction creams, hard capsules, and pills; testing and inspection instruments; environmental protection equipment; and other supporting systems and auxiliary installations.

During the planning phase, the project faced persistent uncertainty in investment returns due to several factors, including external market conditions, industry developments, and strategic adjustments following TPH's mixed-ownership reform. As at 31 December 2024, none of the Proceeds had been utilised for this project.

(ii) Reasons for the Proposed Termination and Subsequent Plans

Based on the Company's strategic planning and developments in the Chinese herbal medicine market, the Company conducted an ongoing assessment of the project. Given the macroeconomic downturn and volatility in the prices of Chinese herbal raw materials, the growth of the terminal market for certain traditional Chinese medicine preparations has shown signs of slowing. Upon careful evaluation, the Company believes that the project's production capacity plan lacks strong alignment with current market demand, and that continuing with the project would pose a risk of failing to achieve the expected investment return.

Accordingly, to mitigate investment risk, and having taken into account the Company's overall strategic planning and the need to enhance capital utilisation efficiency, the Company proposes to terminate the allocation of the Proceeds to this project and permanently reallocate the unutilised Proceeds to working capital, which will be used to support the Company's day-to-day operations related to its principal business activities.

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Going forward, and in light of evolving market conditions and industry trends, the Company will consider reinvesting in this project using its own funds, or pursuing other appropriate arrangements when conditions are suitable, with a view to delivering greater value to Shareholders.

(b) Bozhou Industrial Park Construction Project – Project on Chinese Medicine Decoction Pieces

The Bozhou Industrial Park Construction Project – Project on Chinese Medicine Decoction Pieces had a total planned investment of RMB150 million, which was expected to be fully funded by the Proceeds. The project primarily involved the construction of new production workshops, warehouses, an integrated quality inspection and office building, as well as other supporting facilities and auxiliary buildings. It also included the procurement of equipment for the processing and packaging of Chinese medicine decoction pieces, as well as testing and inspection instruments. In addition, the project comprised the construction of ancillary infrastructure such as internal roads, landscaping, water supply and drainage systems, power supply, and fire safety systems.

The first-phase construction of the project was completed on 12 August 2018, achieving the objectives set for the research stage. Subsequently, on 8 May 2019, the project obtained a certificate of good manufacturing practices (GMP) for pharmaceutical products issued by the Anhui Medical Products Administration (安徽省药品监督管理局) and commenced normal production on the same day. Thereafter, payments were made for various project-related costs, including progress payments and warranty payments, in accordance with the relevant contracts.

As at 31 December 2024, the total utilisation of the Proceeds for this project amounted to approximately RMB144.78 million, leaving a balance of approximately RMB5.22 million. The Company is of the view that the Project on Chinese Medicine Decoction Pieces has achieved its intended objectives, including the completion of the construction of the relevant infrastructure and buildings, as well as the procurement and installation of equipment for the processing and packaging of Chinese medicine decoction pieces. Accordingly, the Company proposes to formally conclude the implementation of this project. Subject to the approval to be obtained at the 2025 AGM, the remaining balance of approximately RMB5.22 million, which represents the surplus Proceeds, will be re-allocated to working capital in compliance with the applicable accounting standards.

2.4.3 Phase I Dripping Pill Manufacturing Base Project

(i) Original Plan and Utilisation of Proceeds for the Project

The Phase I Dripping Pill Manufacturing Base Project was originally planned to be funded with RMB289.99 million from the Proceeds. The project involved the construction of facilities for the production of Suxiao Jiuxin Wan (速效救心丸), including production workshops, a wastewater treatment station, a fire pump room with water tanks, as well as other supporting infrastructure such as internal roads, landscaping, and gatehouses. The project also included the procurement of dripping pill machines, packaging machines, and other related equipment. Upon completion and full-scale production, the project was expected to achieve an annual production capacity of approximately 300 million bottles of Suxiao Jiuxin Wan.

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Due to external environmental factors, the project experienced some delays in its initial construction progress. However, with the Company's strong efforts, the construction of plant buildings, utility systems, and supporting infrastructure had been completed as at the end of 2024. The project had also successfully passed all required external inspections in accordance with the requirements of the Construction Authority and Planning Department, including planning acceptance, fire safety inspection, and final construction inspection. The process equipment had passed acceptance and, as at the Latest Practicable Date, is production-ready. In addition, the wastewater treatment facilities and process commissioning had been completed and remain operational as at the Latest Practicable Date.

As at 31 December 2024, the total utilisation of the Proceeds for this project amounted to approximately RMB207.47 million, leaving a balance of approximately RMB82.52 million.

(ii) Reasons for the Proposed Adjustment of Investment Scale and Project Cessation

Throughout the implementation of the project, the Company has strictly complied with applicable rules governing the use of proceeds. While ensuring project quality and construction progress, the Company has adhered to the principles of prudence, efficiency, and cost control, resulting in effective management of project expenses and optimal allocation of capital resources. As a result, the project successfully achieved its primary construction objectives, with a balance of the unutilised Proceeds.

The project has completed all construction of plant buildings, utility infrastructure, and the procurement and acceptance of one (1) production line. Based on the current state of completion, the available production capacity fully meets the existing demand for Suxiao Jiuxin Wan (速效救心丸). Considering the progress of the project and the current market demand outlook, the Company is of the view that the completed capacity is sufficient to meet its current operational needs as well as potential market demand over the near to medium term.

Therefore, in line with the principles of improving capital efficiency and maximising the use of production capacity, the Company proposes to reduce the total investment amount for the Phase I Dripping Pill Manufacturing Base Project to the actual amount invested as at the end of 2024 (being approximately RMB207.47 million), and not to proceed with the construction of additional production lines. If there is a need for additional capacity in the future, the Company will fund such expansion with internal resources.

As at 31 December 2024, the remaining balance of the Proceeds planned for this project was approximately RMB82.52 million, which includes approximately RMB50 million in unpaid contractual balances and warranty deposits. These amounts have not yet become payable due to the extended payment cycles stipulated in the contracts. To avoid long-term idle funds and enhance capital efficiency, the Company proposes to cease the project and permanently reallocate the unutilised Proceeds to working capital, to be used for the Company's day-to-day operations related to its core business. Any future payments that become due under the existing contracts will be settled using the Company's own funds.

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2.4.4 Interest Income and Returns from Financial Management

As at 31 December 2024, the interest income and returns from financial management generated from the Net Proceeds amounted to approximately RMB62.81 million. This amount, subject to the actual balance in the Designated Accounts as at the date of fund reallocation, has been classified as the unutilised Proceeds and is proposed to be permanently re-allocated to working capital.

2.5 **Utilisation Plan for the Remaining Proceeds and Arrangement of the Designated Accounts**

As at the end of 2024, among the Projects funded by the Proceeds from the Placement:

- (i) the Terminal Marketing Network and Promotional System Project and the Bozhou Industrial Park Construction Project – Project on Chinese Medicine Decoction Pieces have achieved their respective intended objectives and are proposed to be ceased;
- (ii) the Bozhou Industrial Park Construction Project – Chinese Medicine Extraction and Preparation Project is proposed to be terminated in view of market expectations and the Company's strategic planning; and
- (iii) the Phase I Dripping Pill Manufacturing Base Project has achieved its expected construction milestones, and accordingly, the Company proposes to adjust the investment scale (i.e. to reduce the total investment amount for this project to the actual amount invested as at the end of 2024) and thereafter cease the project.

To further enhance the efficiency in the use of the Proceeds and to support the Company's daily operational needs, the Company proposes to permanently reallocate a total of approximately RMB207.27 million², comprising the unutilised Proceeds from the Projects and the interest income and returns from financial management generated from the Proceeds, to working capital. The funds to be re-allocated will be used for the Company's day-to-day operations in connection with its principal business activities.

The proposed permanent reallocation of unutilised Proceeds, together with the interest income and returns from financial management generated from the Proceeds, will help the Company maximise capital utilisation efficiency, better align with its actual operational and business development needs, and serve the interests of all Shareholders. The proposed reallocation is in compliance with the relevant regulations and rules of the CSRC and the SSE regarding the use of proceeds by listed companies.

² For the avoidance of doubt, the amount of approximately RMB207.27 million includes the RMB199 million that has been applied towards temporary use for cash flow purposes, as set out in Section 2.2 of this Annexure, and which has not yet been returned to the Designated Accounts.

As mentioned in Section 2.2 of this Annexure, upon expiry of the 12-month period of temporary use, the Company shall return the full amount of RMB230 million to the Designated Accounts in a timely manner.

Accordingly, the aggregate amount of the Proceeds proposed to be permanently re-allocated to working capital will be approximately RMB207.27 million.

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Upon completion of the reallocation, the Designated Accounts corresponding to the Projects will no longer be used, and the Company will proceed with the account closure process, following which the tripartite Supervision Agreements relating to the respective Designated Accounts, entered into among the Company, the Placement Agent, and the respective designated banks, will be terminated accordingly.

2.6 Impact of the Proposed Cessation of Projects and Reallocation of Proceeds on the Company

The Proposed Cessation of Projects and Reallocation of Proceeds represents a prudent decision made by the Company based on its strategic development plans and the actual implementation status of the Projects, and is not expected to have any material adverse impact on the Company's existing core business operations, financial position, or operating results. The reallocation of the remaining Proceeds to working capital will enable the Company to meet its daily operational funding requirements, expand its business scale, enhance capital utilisation efficiency, and reduce financial costs. The Proposed Cessation of Projects and Reallocation of Proceeds is in the best interests of the Company and its Shareholders.

2.7 Decision-making Procedures

On 28 March 2025, the Company convened its 1st Board meeting and 1st Supervisory Committee meeting for FY2025, at which the Proposed Cessation of Projects and Reallocation of Proceeds was considered and approved by the Board and the Supervisory Committee, respectively.

The Proposed Cessation of Projects and Reallocation of Proceeds is subject to approval by the Shareholders at the 2025 AGM.

2.8 Opinions from the Supervisory Committee and the Placement Agent

(a) Opinions from the Supervisory Committee

The Supervisory Committee is of the opinion that the Proposed Cessation of Projects and Reallocation of Proceeds is a prudent decision made by the Company in consideration of its overall development and is in the best interests of all Shareholders. The decision-making procedure complies with relevant laws, regulations and rules, including the SSE Listing Rules, the *Guideline No. 2 – Supervision Requirements of the Use and Management of the Proceeds of the Listed Companies* (《上市公司监管指引第2号—上市公司募集资金管理和使用的监管要求》) promulgated by the CSRC, and the *Guidelines No. 1 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies – Standardised Operations* (《上海证券交易所上市公司自律监管指引第1号—规范运作》) issued by the SSE. There is no circumstance under which this decision would prejudice the interests of the Shareholders, nor does it contravene any applicable regulations and rules of the CSRC and the SSE, or the Company's Articles of Association regarding the use of proceeds.

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(b) Opinions from the Placement Agent

Upon verification, the Placement Agent is of the view that the Proposed Cessation of Projects and Reallocation of Proceeds has been duly reviewed and approved by the Board and the Supervisory Committee of the Company, and is subject to approval by the Shareholders at a general meeting, which is in compliance with applicable laws, regulations and rules, including the SSE Listing Rules, the *Guideline No. 2 – Supervision Requirements of the Use and Management of the Proceeds of the Listed Companies* (《上市公司监管指引第2号—上市公司募集资金管理和使用的监管要求》) promulgated by the CSRC, and the *Guidelines No. 1 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies – Standardised Operations* (《上海证券交易所上市公司自律监管指引第1号—规范运作》) issued by the SSE. The Placement Agent has no objection to the Proposed Cessation of Projects and Reallocation of Proceeds.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The details of the Directors' and Substantial Shareholders' interest in the Shares as at the Latest Practicable Date are set out below:-

	Direct Interest		Deemed Interest	
	No of Shares	% ⁽¹⁾	No of Shares	% ⁽¹⁾
Directors				
Wang Lei	—	—	—	—
Guo Min	—	—	—	—
Zhou Hong	23,800 ⁽²⁾	0.003	—	—
Shang Mingjie	—	—	—	—
Mao Weiwen	—	—	—	—
Xing Jianhua	—	—	—	—
Yeo Guat Kwang	—	—	—	—
Liew Yoke Pheng Joseph	—	—	—	—
Zhong Ming	—	—	—	—
Substantial Shareholder(s)				
TPH	325,855,528	42.31	5,265,000 ⁽³⁾	0.68

Notes:

- (1) Based on the total issued share capital of 770,094,356 Shares as at the Latest Practicable Date.
- (2) These are the Restricted A-Shares granted and issued under the Scheme.
- (3) Pursuant to Section 4 of the SFA, TPH is deemed interested in the 5,265,000 Shares in the capital of the Company held by its wholly-owned subsidiary, Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd.

As at the Latest Practicable Date, saved as disclosed in this Annexure, none of the Directors or Substantial Shareholders have any interest, direct or indirect, in the Proposed Cessation of Projects and Reallocation of Proceeds other than through their respective shareholdings in the Company (if any).

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4. DIRECTORS' RECOMMENDATION

Having considered, amongst others, the reasons for the Proposed Cessation of Projects and Reallocation of Proceeds, as well as its impact on the Company, the Directors are of the opinion that the Proposed Cessation of Projects and Reallocation of Proceeds is in the best interests of the Company and the Shareholders as a whole. Therefore, the Directors recommend that the Shareholders **VOTE IN FAVOUR** of the resolution in relation the Proposed Cessation of Projects and Reallocation of Proceeds as set out in the Notice of AGM.

5. ANNUAL GENERAL MEETING

The 2025 AGM, notice of which has been, or will be, made available to Shareholders on the same date as this Annexure via SGXNET and on the Company's website at www.jydr.com.cn, will be held at the meeting room of Da Ren Tang Mansion, No. 17 Baidi Road, Nankai District, Tianjin, the PRC 300193 (concurrently, via video conferencing at RNN Conference Centre, GB Building, 143 Cecil Street, Level 11, #11-03, Singapore 069542 for S-Share Shareholders in Singapore) on Thursday, 15 May 2025 at 1:30 p.m. for the purpose of considering and, if thought fit, passing the resolutions (with or without modifications) as set out in the Notice of AGM.

S-Share Shareholders may participate in the 2025 AGM via video conferencing at RNN Conference Centre, GB Building, 143 Cecil Street, Level 11, #11-03, Singapore 069542 for S-Share Shareholders in Singapore by:

- (a) attending the 2025 AGM in person;
- (b) submitting substantial and relevant questions relating to the resolutions to be tabled for approval at the 2025 AGM, in advance of, or at, the 2025 AGM; and/or
- (c) voting at the 2025 AGM (i) themselves; or (ii) through their duly appointed proxy(ies).

Details of the submission of questions and voting at the 2025 AGM by Shareholders (including S-Share Shareholders) are set out in the Notice of AGM.

6. ACTION TO BE TAKEN BY S-SHARE SHAREHOLDERS

S-Share Shareholders who wish to vote but are unable to attend the 2025 AGM and instead wish to appoint a proxy(ies) to attend and vote at the 2025 AGM on their behalf must complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive by (i) post at the office of the Company's S-Shares Registrar and Singapore Shares Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, or (ii) email at srs.proxy@boardroomlimited.com, no later than **1:30 p.m. on Tuesday, 13 May 2025**.

The completion and return of a Proxy Form by a S-Share Shareholder does not preclude such S-Share Shareholder from attending, speaking and voting in person at the 2025 AGM should they subsequently decide to do so. In such event, the appointment of the proxy(ies) for the 2025 AGM will be deemed to be revoked upon the S-Share Shareholder's attendance at the 2025 AGM in person, and the Company reserves the right to refuse to admit any person(s) appointed under the Proxy Form to the 2025 AGM.

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A S-Share Shareholder who intends to attend the 2025 AGM must be registered in the Register of Members, or, if the registered holder is CDP, must be named as a Depositor in the Depository Register, as at a time not earlier than forty-eight (48) hours before the 2025 AGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Annexure and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Annexure constitutes full and true disclosure of all material facts about the Proposed Cessation of Projects and Reallocation of Proceeds and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Annexure misleading.

Where information in this Annexure has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Annexure in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 17 Baidi Road, Nankai District, Tianjin, the PRC 300193, during normal business hours from the date of this Annexure up to and including the date of the 2025 AGM:

- (a) the Articles of Association of the Company; and
- (b) the annual report of the Company for FY2024.

Yours faithfully

For and on behalf of the Board of Directors of

Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited

Wang Lei

Chairman of the Board