

**TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED**

(Company Registration No. 91120000103100784F)

(Incorporated in the People's Republic of China)

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**RESPONSE TO SGX QUERIES REGARDING TRADING ACTIVITY**

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***The board of directors (the “Board”) and every individual director of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the “Company”, together with its subsidiaries, the “Group”) 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 queries from the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 17 December 2020 regarding the unusual price movements in the Company’s shares and wishes to respond as follows:

***Question 1: Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 8 in Appendix 7.1 of the Mainboard Rules for further examples.***

***- If yes, the information shall be announced immediately.***

Company’s Response

[The Company wishes to inform shareholders that it has been informed that the controlling shareholder of the Company, Tianjin Pharmaceutical Holdings Co., Ltd. (“TPH”), is contemplating a proposed acquisition of shares in the Company in connection with 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) of 67% of its equity interest in TPH, pursuant to the Proposed Mixed-ownership Reform (as announced by the Company on 9 October 2018, 15 June 2020 and 28 September 2020). The discussions are ongoing and there is no assurance that any definitive agreement or transaction will materialise.

Save for the above, the Company is not aware of any information not previously announced concerning the Company, its subsidiaries or associated companies which might explain the unusual trading activity recently.]

***Question 2: Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.***

Company’s Response

[The Company is not aware of any other possible explanation for the unusual price movements of the Company’s shares traded recently.]

***Question 3: Can you confirm your compliance with the listing rules and, in particular, Mainboard Rule 703?***

Company’s Response

[The Company confirms that it is in compliance with the listing rules of the SGX-ST and, in particular, Mainboard Rule 703.]

The Board collectively and individually takes responsibility for the accuracy of the aforesaid replies to the queries raised by the SGX-ST.

**By Order of the Board**

Jiao Yan  
Secretary to the Board of Directors  
17 December 2020