

OFFER DOCUMENT DATED 26 MARCH 2021

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about the Chain Offers (as defined herein) or the action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. Bank of China Limited, Singapore Branch ("**Bank of China**") and DBS Bank Ltd. ("**DBS Bank**", and together with Bank of China, the "**Joint Singapore Financial Advisers**") are acting for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the "**Offeror**") and do not purport to advise the Shareholders (as defined herein) of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "**Company**"). In preparing its letter to the Shareholders for and on behalf of the Offeror, the Joint Singapore Financial Advisers have not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder.

The contents of this Offer Document have not been reviewed by any regulatory authority in any jurisdiction. You are advised to exercise caution in relation to the Chain Offers. If you are in any doubt about any of the contents of this Offer Document, you should obtain independent professional advice.

The views of the Independent Directors (as defined herein) and the independent financial adviser to the Independent Directors on the Chain Offers will be made available to you by the Company in due course. You may wish to consider their views before taking any action in relation to the Chain Offers.

If you have sold or transferred all your S Offer Shares (as defined herein) held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Offer Document and the accompanying Form of Acceptance and Authorisation for S Offer Shares (the "**FAA**") to the purchaser or the transferee as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

#### MANDATORY CONDITIONAL CASH OFFER

by



and

**DBS BANK LTD.**

(Company Registration No.: 196800306E)  
(Incorporated in the Republic of Singapore)

**BANK OF CHINA LIMITED, SINGAPORE BRANCH**

(Entity No.: S36FC0753G)  
(Foreign Company registered in Singapore)

for and on behalf of

**TIANJIN PHARMACEUTICAL (SINGAPORE) INTERNATIONAL INVESTMENT PTE. LTD.**

(Company Registration No.: 200922469M)  
(Incorporated in Singapore)

to acquire all the issued and paid-up S Shares (as defined herein) in the capital of

**TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED**

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

other than those already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH

ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE S SHARES CHAIN OFFER (AS DEFINED HEREIN) AT 5:30 P.M. (SINGAPORE TIME) ON 29 APRIL 2021. NOTICE IS HEREBY GIVEN THAT THE OFFEROR WILL NOT EXTEND THE S SHARES CHAIN OFFER BEYOND 5:30 P.M. (SINGAPORE TIME) ON THE S SHARES CHAIN OFFER CLOSING DATE (AS DEFINED HEREIN) AND THE S SHARES CHAIN OFFER WILL NOT BE OPEN FOR ACCEPTANCES BEYOND 5:30 P.M. (SINGAPORE TIME) ON THE S SHARES CHAIN OFFER CLOSING DATE, SAVE THAT SUCH NOTICE SHALL NOT BE CAPABLE OF BEING ENFORCED IN A COMPETITIVE SITUATION.

The procedures for acceptance of the Chain Offers are set out in **APPENDIX VII** and **APPENDIX VIII** to this Offer Document, and in the accompanying FAA.

## CONTENTS

DEFINITIONS	2
1. INTRODUCTION	9
2. THE S SHARES OFFER PRICE AND A SHARES OFFER PRICE	10
3. THE S SHARES CHAIN OFFER	13
4. THE A SHARES CHAIN OFFER	16
5. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES	18
6. INFORMATION ON THE COMPANY	19
7. RATIONALE FOR THE CHAIN OFFERS AND OFFEROR'S INTENTIONS	21
8. FINANCIAL EVALUATION OF THE S SHARES CHAIN OFFER	22
9. LISTING STATUS AND COMPULSORY ACQUISITION	22
10. ELECTRONIC DESPATCH OF THE OFFER DOCUMENT	24
11. OVERSEAS SHAREHOLDERS	24
12. CONFIRMATION OF FINANCIAL RESOURCES	26
13. DIRECTORS' RESPONSIBILITY STATEMENT	26
14. GENERAL	27
APPENDIX I – ADDITIONAL INFORMATION ON THE OFFEROR	29
APPENDIX II – ADDITIONAL INFORMATION ON THE PURCHASER	32
APPENDIX III – ADDITIONAL INFORMATION ON TPH	44
APPENDIX IV – ADDITIONAL INFORMATION ON THE COMPANY	48
APPENDIX V – ADDITIONAL GENERAL INFORMATION	50
APPENDIX VI – DETAILS OF THE CHAIN OFFERS	57
APPENDIX VII – PROCEDURES FOR ACCEPTANCE OF THE S SHARES CHAIN OFFER	62
APPENDIX VIII – PROCEDURES FOR ACCEPTANCE OF THE A SHARES CHAIN OFFER	69
APPENDIX IX – ADDITIONAL INFORMATION ON THE ACQUISITION AND THE A SHARES CHAIN OFFER	72

## DEFINITIONS

Except where the context otherwise requires, or unless otherwise defined, the following definitions apply throughout this Offer Document and the FAA:

<b>"<u>A Offer Shares</u>"</b>	:	Shall have the meaning ascribed to it in paragraph 4.2 of this Offer Document
<b>"<u>A Shares</u>"</b>	:	The Shares which are listed on the SSE
<b>"<u>A Shares Chain Offer</u>"</b>	:	The mandatory unconditional cash offer by the Purchaser to acquire all the A Offer Shares on the terms and subject to the conditions set out in this Offer Document and the offer document issued to the A Shares Shareholders in accordance with the laws of the PRC
<b>"<u>A Shares Chain Offer Period</u>"</b>	:	The period from 31 March 2021 until the date the A Shares Chain Offer is declared to have closed or lapsed
<b>"<u>A Shares Offer Price</u>"</b>	:	Shall have the meaning ascribed to it in paragraph 4.3 of this Offer Document
<b>"<u>A Shares Shareholders</u>"</b>	:	Holders of A Shares
<b>"<u>Acquisition</u>"</b>	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Offer Document
<b>"<u>Bank of China</u>"</b>	:	Bank of China Limited, Singapore Branch
<b>"<u>Business Day</u>"</b>	:	A day other than a Saturday, Sunday or public holiday on which banks are open for business in Singapore
<b>"<u>CDP</u>"</b>	:	The Central Depository (Pte) Limited
<b>"<u>Chain Offer Condition</u>"</b>	:	Shall have the meaning ascribed to it in paragraph 1.3 of this Offer Document
<b>"<u>Chain Offers</u>"</b>	:	The S Shares Chain Offer and the A Shares Chain Offer collectively
<b>"<u>Code</u>"</b>	:	The Singapore Code on Take-overs and Mergers
<b>"<u>Companies Act</u>"</b>	:	Companies Act (Chapter 50 of Singapore)
<b>"<u>Company</u>"</b>	:	Tianjin Zhong Xin Pharmaceutical Group Corporation Limited

<b><u>"Company Securities"</u></b>	:	Shall have the meaning ascribed to it in paragraph 1(a) of <b>Appendix V</b> to this Offer Document
<b><u>"CSRC"</u></b>	:	China Securities Regulatory Commission
<b><u>"Date of Receipt"</u></b>	:	Shall have the meaning ascribed to it in paragraph 1.1(a)(i)(B) of <b>Appendix VII</b> to this Offer Document
<b><u>"DBS Bank"</u></b>	:	DBS Bank Ltd.
<b><u>"derivatives"</u></b>	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
<b><u>"Electronic Acceptance"</u></b>	:	Acceptance of the S Shares Chain Offer via the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for depository agents
<b><u>"Encumbrances"</u></b>	:	Shall have the meaning ascribed to it in paragraph 3.3(b) of this Offer Document
<b><u>"FAA"</u></b>	:	Forms of Acceptance and Authorisation for S Offer Shares which form part of this Offer Document and which are issued to S Shares Shareholders whose S Offer Shares are deposited with CDP
<b><u>"Formal Offer Announcement"</u></b>	:	The announcement issued by the Joint Singapore Financial Advisers on 26 March 2021, for and on behalf of the Offeror, in relation to the Chain Offers
<b><u>"Formal Offer Announcement Date"</u></b>	:	26 March 2021
<b><u>"Free Float Requirement"</u></b>	:	Shall have the meaning ascribed to it in paragraph 9.1(a) of this Offer Document
<b><u>"FY"</u></b>	:	Financial year ended or ending (as the case may be) 31 December of a particular year as stated
<b><u>"FY2017 Audited Financial Statements"</u></b>	:	The audited financial statements of the Offeror or TPH (as the case may be) for the financial year ended 31 December 2017
<b><u>"FY2018 Audited Financial Statements"</u></b>	:	The audited financial statements of the Offeror or TPH (as the case may be) for the financial year ended 31 December 2018

<b><u>"FY2019 Audited Financial Statements"</u></b>	:	The audited financial statements of the Offeror or TPH (as the case may be) for the financial year ended 31 December 2019
<b><u>"FY2020 Audited Financial Statements"</u></b>	:	The audited financial statements of the Purchaser for the financial year ended 31 December 2020
<b><u>"FY2020 Unaudited Financial Statements"</u></b>	:	The unaudited financial statements of the Offeror or TPH (as the case may be) for the financial year ended 31 December 2020
<b><u>"Independent Directors"</u></b>	:	The directors of the Company who are considered to be independent for the purposes of the Chain Offers
<b><u>"Joint Singapore Financial Advisers"</u></b>	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Offer Document
<b><u>"Latest Practicable Trading Date"</u></b>	:	25 March 2021 in respect of the S Shares and 26 March 2021 in respect of the A Shares, being the last full trading day of the S Shares and the A Shares respectively prior to the issue of the Formal Offer Announcement and this Offer Document
<b><u>"Listing Manual"</u></b>	:	The listing manual of the SGX-ST
<b><u>"Minimum Acceptance Condition"</u></b>	:	Shall have the meaning ascribed to it in paragraph 3.4 of this Offer Document
<b><u>"Offer Document"</u></b>	:	This document issued by the Joint Singapore Financial Advisers, for and on behalf of the Offeror, in respect of the Chain Offers
<b><u>"Offer Prices"</u></b>	:	Shall have the meaning ascribed to it in paragraph 4.3 of this Offer Document
<b><u>"Offer Shares"</u></b>	:	The S Offer Shares and the A Offer Shares collectively
<b><u>"Offeror"</u></b>	:	Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd.
<b><u>"Offeror Financial Statements"</u></b>	:	Shall have the meaning ascribed to it in paragraph 4 of <b>Appendix I</b> to this Offer Document
<b><u>"Original A Shares BG"</u></b>	:	Shall have the meaning ascribed to it in paragraph 2.4(c) of this Offer Document
<b><u>"Overseas Shareholders"</u></b>	:	S Shares Shareholders whose addresses are outside Singapore as shown in the register of members of the

	Company or in the records of CDP (as the case may be), each an " <b><u>Overseas Shareholder</u></b> "
" <b><u>Possible Offer Announcement</u></b> "	: The announcement issued by the Joint Singapore Financial Advisers on the Possible Offer Announcement Date, for and on behalf of the Offeror, in relation to the possible Chain Offers
" <b><u>Possible Offer Announcement Date</u></b> "	: 20 December 2020
" <b><u>PRC</u></b> "	: The People's Republic of China
" <b><u>PRC Acquisition Rules</u></b> "	: Administrative Measures on the Acquisition of Listed Companies 《上市公司收购管理办法》
" <b><u>PRC Securities Law</u></b> "	: Securities Law of the People's Republic of China 《中华人民共和国证券法》
" <b><u>Purchaser</u></b> "	: Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司)
" <b><u>Ratio</u></b> "	: Shall have the meaning ascribed to it in paragraph 2.1(a)(ii) of this Offer Document
" <b><u>Relevant Day</u></b> "	: Shall have the meaning ascribed to it in paragraph 3 of <b>Appendix VI</b> to this Offer Document
" <b><u>Relevant Persons</u></b> "	: Shall have the meaning ascribed to it in paragraph 2.5 of <b>Appendix VII</b> to this Offer Document
" <b><u>Restricted Jurisdiction</u></b> "	: Shall have the meaning ascribed to it in paragraph 11 of this Offer Document
" <b><u>RMB</u></b> "	: Renminbi, the lawful currency of the PRC
" <b><u>S Offer Shares</u></b> "	: Shall have the meaning ascribed to it in paragraph 3.2 of this Offer Document
" <b><u>S Shares</u></b> "	: The Shares which are listed on the SGX-ST
" <b><u>S Shares Chain Offer</u></b> "	: The mandatory conditional cash offer by the Joint Singapore Financial Advisers, for and on behalf of the Offeror, to acquire all the S Offer Shares in accordance with Rule 14 of the Code on the terms and subject to the conditions set out in this Offer Document and the FAA

<b><u>"S Shares Chain Offer Closing Date"</u></b>	:	29 April 2021
<b><u>"S Shares Chain Offer Period"</u></b>	:	The period from the Formal Offer Announcement Date until the date the S Shares Chain Offer is declared to have closed or lapsed
<b><u>"S Shares Offer Price"</u></b>	:	Shall have the meaning ascribed to it in paragraph 3.3 of this Offer Document
<b><u>"S Shares Shareholders"</u></b>	:	Holders of S Shares (including persons whose S Shares are deposited with CDP or who have purchased S Shares on the SGX-ST)
<b><u>"Securities Account"</u></b>	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account
<b><u>"Settled Shares"</u></b>	:	Shall have the meaning ascribed to it in paragraph 1.1(a)(ii) of <b>Appendix VII</b> to this Offer Document
<b><u>"SFA"</u></b>	:	Securities and Futures Act (Chapter 289 of Singapore)
<b><u>"SGX-ST"</u></b>	:	Singapore Exchange Securities Trading Limited
<b><u>"Shareholders"</u></b>	:	A Shares Shareholders and S Shares Shareholders collectively
<b><u>"Shares"</u></b>	:	The ordinary shares of the Company
<b><u>"SIC"</u></b>	:	Securities Industry Council of Singapore
<b><u>"SIC Ruling"</u></b>	:	Shall have the meaning ascribed to it in paragraph 1.3 of this Offer Document
<b><u>"SPA"</u></b>	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Offer Document
<b><u>"SPDB"</u></b>	:	Shenzhen branch of the Shanghai Pudong Development Bank Co., Ltd.
<b><u>"SRS"</u></b>	:	Supplementary Retirement Scheme
<b><u>"SRS Agent Banks"</u></b>	:	Agent banks included under the SRS
<b><u>"SRS Investors"</u></b>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<b><u>"SSE"</u></b>	:	Shanghai Stock Exchange

" <b><u>SSE Listing Rules</u></b> "	:	Shall have the meaning ascribed to it in paragraph 9.1(b) of this Offer Document
" <b><u>S\$</u></b> ", " <b><u>Singapore Dollars</u></b> " and " <b><u>cents</u></b> "	:	Singapore dollars and cents, the lawful currency of Singapore
" <b><u>TPH</u></b> "	:	Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司)
" <b><u>TPH Financial Statements</u></b> "	:	Shall have the meaning ascribed to it in paragraph 4 of <b>Appendix III</b> to this Offer Document
" <b><u>Unsettled Buy Position</u></b> "	:	Shall have the meaning ascribed to it in paragraph 1.1(a)(ii) of <b>Appendix VII</b> to this Offer Document
" <b><u>Unsuccessful Offer</u></b> "	:	Shall have the meaning ascribed to it in paragraph 4.1(e) of <b>Appendix VI</b> to this Offer Document
" <b><u>USD</u></b> "	:	United States dollar, the lawful currency of the United States of America
" <b><u>Vendor</u></b> "	:	Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海国有资产经营管理有限公司)
" <b><u>VWAP</u></b> "	:	Volume weighted average traded prices
" <b><u>%</u></b> "	:	Per centum or percentage

**Acting in Concert.** The expression "**acting in concert**" shall have the meaning ascribed to it in the Code.

**Depositors and Depository Agents.** The terms "**depositor**" and "**depository agent**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

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

**Headings.** The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

**Rounding.** Any discrepancies in figures included in this Offer Document between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Document may not be arithmetic aggregations of the figures that precede them.

**Shareholders.** References to "you", "your" and "yours" in this Offer Document are, as the context so determines, to Shareholders.



**Statutes.** Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the Listing Manual, the SFA or the Code or any modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual, the SFA or the Code, or any modification thereof, as the case may be, unless the context otherwise requires.

**Subsidiary, Related Corporation.** References to "subsidiary" and "related corporation" shall have the meanings ascribed to them respectively in the Companies Act.

**Time and Date.** Any reference to a time of the day and date in this Offer Document shall be a reference to Singapore time and date, respectively, unless otherwise stated.

**Total Number of S Shares.** Any reference in this Offer Document to the total number of issued S Shares is a reference to a total of 200,000,000 S Shares in issue as at the Formal Offer Announcement Date.

**Total Number of A Shares.** Any reference in this Offer Document to the total number of issued A Shares is a reference to a total of 573,643,076 A Shares in issue as at the Formal Offer Announcement Date.

Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Offer Document are based on 773,643,076 Shares of the Company as at the Formal Offer Announcement Date.

#### Forward-Looking Statements

*All statements other than statements of historical facts included in this Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the Offeror, TPH and/or the Purchaser regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Offeror, TPH, the Purchaser and/or the Joint Singapore Financial Advisers do not undertake any obligation to update publicly or revise any forward-looking statements.*



**DBS BANK LTD.**  
(Company Registration No.: 196800306E)  
(Incorporated in the Republic of Singapore)

**BANK OF CHINA LIMITED, SINGAPORE BRANCH**  
(Entity No.: S36FC0753G)  
(Foreign Company registered in Singapore)

26 March 2021

To: The Shareholders of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited

Dear Sir/Madam

**MANDATORY CONDITIONAL CASH OFFER BY DBS BANK LTD. AND BANK OF CHINA LIMITED, SINGAPORE BRANCH, FOR AND ON BEHALF OF THE OFFEROR, FOR ALL THE S OFFER SHARES**

**1. INTRODUCTION**

**1.1 The Acquisition**

On 20 December 2020, DBS Bank and Bank of China (collectively, the "**Joint Singapore Financial Advisers**") announced, for and on behalf of the Offeror, in the Possible Offer Announcement that the Purchaser had entered into a sale and purchase agreement (the "**SPA**") on 19 December 2020 with the Vendor in relation to the acquisition (the "**Acquisition**") of a stake of 67% in TPH.

**1.2 TPH's Shareholding in the Company**

As at the Possible Offer Announcement Date, TPH held a direct interest in 325,855,528 A Shares and an indirect interest, through the Offeror, in 5,265,000 S Shares, representing in aggregate approximately 42.8% of the total Shares.

**1.3 SIC Ruling**

The SIC has confirmed in its ruling (the "**SIC Ruling**"), *inter alia*, that the chain principle set out in Note 7 on Rule 14.1 of the Code applies such that any person which acquires statutory control of TPH shall be required to make an offer for Shares not held by such person and its concert parties. The SIC has further confirmed that it has no objection to such offer being made by a concert party of the Purchaser (which includes the Offeror upon completion of the Acquisition).

Accordingly, as mentioned in the Possible Offer Announcement, in the event that the Purchaser acquires statutory control of TPH pursuant to the Acquisition (the "**Chain Offer Condition**"), a mandatory conditional cash offer will be made by the Joint Singapore Financial Advisers, for

and on behalf of the Offeror, for the S Shares, other than those already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH.

A separate mandatory unconditional cash offer will be made by the Purchaser for the A Shares, other than those A Shares with selling restrictions and those A Shares already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH.

#### **1.4 The Chain Offers**

On 26 March 2021, the Joint Singapore Financial Advisers announced, for and on behalf of the Offeror in the Formal Offer Announcement that the Purchaser had on 26 March 2021 completed the Acquisition and the Chain Offer Condition had been satisfied.

Accordingly, in accordance with Rule 14.1 of the Code, the Offeror is required to make a mandatory conditional cash offer for all the S Offer Shares.

A separate mandatory unconditional cash offer will be made by the Purchaser for the A Offer Shares.

Copies of the Possible Offer Announcement and the Formal Offer Announcement are available on the website of the SGX-ST at (<http://www.sgx.com>).

This Offer Document contains the formal offer by the Joint Singapore Financial Advisers, for and on behalf of the Offeror, to acquire all the S Offer Shares, subject to the terms and conditions set out in this Offer Document. We urge you to read this document carefully and properly consider the S Shares Chain Offer.

This Offer Document also contains information on the A Shares Chain Offer.

## **2. THE S SHARES OFFER PRICE AND A SHARES OFFER PRICE**

### **2.1 As set out in the SIC Ruling, the SIC has ruled that:**

- (a) the price for the S Shares Chain Offer will be the higher of:
  - (i) the simple average of the VWAP of the S Shares on the SGX-ST on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Possible Offer Announcement Date; and
  - (ii) the price calculated by applying the ratio of the simple average of daily VWAP of the S Shares and the A Shares over the course of six (6) months up to and including the Possible Offer Announcement Date (the "**Ratio**") to the A Shares offer price; and
- (b) the Purchaser and the Offeror would be permitted to use the central parity rate of RMB against USD authorised by the People's Bank of China and announced by the China

Foreign Exchange Trade System on each PRC business day<sup>1</sup> at 9:15 a.m. to convert the daily RMB-denominated A Shares prices to USD on the Possible Offer Announcement Date for the purpose of calculating the prices for the S Shares Chain Offer, the A Shares Chain Offer and the ratio of the offer values.

## 2.2 Computation of S Shares Offer Price and A Shares Offer Price

On 20 December 2020, the Joint Singapore Financial Advisers announced, for and on behalf of the Offeror, that the S Shares Offer Price will be USD0.893 and the A Shares Offer Price will be RMB17.43 based on the following calculations:

	<b>S Shares Chain Offer</b>	<b>Price (USD)</b>
(a)	The simple average of the VWAP of the S Shares on the SGX-ST on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Possible Offer Announcement Date	0.893
(b)	The price calculated by applying the Ratio to the A Shares offer price	0.893
	<b>A Shares Chain Offer</b>	<b>Price (RMB)</b>
(c)	The simple average of the VWAP of the A Shares on the SSE on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Possible Offer Announcement Date	16.82
(d)	The price calculated by applying the Ratio to the S Shares offer price	17.43
(e)	The price that is required pursuant to the applicable PRC regulations: being the simple average of the VWAP of the A Shares on the SSE on the latest 30 trading days up to and including the Possible Offer Announcement Date	16.69

The Joint Singapore Financial Advisers wish to announce, for and on behalf of the Offeror that there was an inadvertent mistake in the computation of the relevant offer prices for the S Shares Chain Offer and the A Shares Chain Offer due to (i) the inadvertent inclusion of 19 June 2020 in the computation of the Ratio set out in rows (b) and (d) of the table set out above; and (ii) the inadvertent inclusion of 19 November 2020 and 20 November 2020 in the computation of the VWAPs of the S Shares set out in row (a) of the table set out above.

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<sup>1</sup> If a certain Singapore trading day falls within PRC national holidays, it should be adjusted according to "the previous business day" rule and shifted to the previous PRC business day.

Accordingly, based on the relevant period of (A) 21 June 2020 to 20 December 2020 for rows (b) and (d) of the table set out above; and (B) 21 November 2020 to 20 December 2020 for row (a) of the table set out above, the correct computation of the S Shares Chain Offer and the A Shares Chain Offer should have been as follows:

<b>S Shares Chain Offer</b>	<b>Price (USD)</b>
The simple average of the VWAP of the S Shares on the SGX-ST on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Possible Offer Announcement Date	0.894
The price calculated by applying the Ratio to the A Shares offer price	0.894
<b>A Shares Chain Offer</b>	<b>Price (RMB)</b>
The simple average of the VWAP of the A Shares on the SSE on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days up to and including the Possible Offer Announcement Date	16.82
The price calculated by applying the Ratio to the S Shares offer price	17.48
The price that is required pursuant to the applicable PRC regulations: being the simple average of the VWAP of the A Shares on the SSE on the latest 30 trading days up to and including the Possible Offer Announcement Date	16.69

### **2.3 Revision of the S Shares Offer Price to USD0.894**

The Joint Singapore Financial Advisers announced on 26 March 2021, for and on behalf of the Offeror that **the S Shares Offer Price has been revised from USD0.893 to USD0.894.**

### **2.4 A Shares Offer Price to be Maintained at RMB17.43**

Notwithstanding the revised computation as set out in paragraph 2.2 above, the Purchaser is not in a position to revise the A Shares Offer Price and the A Shares Offer Price will therefore be maintained at RMB17.43 for the following reasons:

- (a) as mentioned in the Possible Offer Announcement, the Purchaser is making the A Shares Chain Offer in compliance with the requirements of the Code, the PRC Securities Law and the PRC Acquisition Rules. Under the Code, the PRC Securities Law and the PRC Acquisition Rules, the Chain Offers are required to be made by or upon the completion of the Acquisition;
- (b) the SPA for the Acquisition was executed on 19 December 2020 and all regulatory approvals under the SPA were obtained on 29 January 2021. The Acquisition was thus required to be completed no later than 15 April 2021 and the Purchaser was unable to

obtain any further deferment of the completion of the Acquisition from the Vendor and/or its shareholders, being the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府国有资产监督管理委员会);

- (c) as mentioned in the Possible Offer Announcement, based on the offer price of RMB17.43, the Purchaser had submitted a bank letter of guarantee (the "**Original A Shares BG**") issued by SPDB to the China Securities Depository and Clearing Corporation Limited Shanghai branch as the guarantee for the A Shares Chain Offer in compliance with the PRC Securities Law and the PRC Acquisition Rules.

Any revision of the A Shares Offer Price would invalidate the Original A Shares BG and require the Purchaser to obtain a new bank letter of guarantee to cover the revised maximum amount of funds. The issue of a new bank letter of guarantee is a lengthy process that may take up to four (4) months to complete. There is also no certainty that the Purchaser would obtain the approval of SPDB or any other bank for a new bank letter of guarantee; and

- (d) given the circumstances described above, the Purchaser is not in a position to revise the A Shares Offer Price before the completion of the Acquisition and the issue of the Formal Offer Announcement in relation to the Chain Offers by 15 April 2021.

In view of the above, **the A Shares Offer Price will be maintained at RMB17.43.**

**A Shares Shareholders should also note that the A Shares Offer Price of RMB17.43 is higher than RMB16.69 per A Offer Share, which is the minimum offer price required under the PRC Securities Law and the PRC Acquisition Rules. There is also no requirement under the PRC Securities Law and the PRC Acquisition Rules for the A Shares Offer Price to be revised.**

### **3. THE S SHARES CHAIN OFFER**

#### **3.1 S Shares Chain Offer**

In accordance with Rule 14.1 of the Code, the Joint Singapore Financial Advisers, for and on behalf of the Offeror, hereby make the S Shares Chain Offer to acquire all the S Offer Shares, subject to the terms and conditions set out in this Offer Document and the FAA.

#### **3.2 S Offer Shares**

The S Shares Chain Offer is extended, on the same terms and conditions, to all the S Shares other than those already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH (the "**S Offer Shares**").

### 3.3 Consideration

**For each S Offer Share: USD0.894 in cash ("S Shares Offer Price")**

Further details on the computation of the S Shares Offer Price are set out in paragraph 2 of this Offer Document.

The S Offer Shares are to be acquired:

- (a) fully paid;
- (b) free from all liens, equities, mortgages, charges, claims, assignments, hypothecations, pledges, encumbrances, rights of pre-emption and other third-party rights and interests of any nature whatsoever ("Encumbrances"); and
- (c) together with all rights, benefits and entitlements attached thereto as at the Possible Offer Announcement Date, and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon by the Company in respect of the S Shares on or after the Possible Offer Announcement Date).

**If any dividend, right or other distribution or return of capital is announced, declared, paid or made by the Company in respect of the S Shares on or after the Possible Offer Announcement Date, the Offeror reserves the right to reduce the S Shares Offer Price by an amount equivalent to such dividend, right, other distribution or return of capital.**

### 3.4 Conditional S Shares Chain Offer

The S Shares Chain Offer is conditional upon the Offeror and the Purchaser having received, by the close of the Chain Offers, valid acceptances in respect of such number of Offer Shares, which when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH before or during the Chain Offers, will result in the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH holding more than 50% of the Shares (excluding any Shares held in treasury) as at the close of the S Shares Chain Offer.

Accordingly, the S Shares Chain Offer will not become or be capable of being declared unconditional as to acceptances, unless at any time prior to the close of the Chain Offers, the Offeror and the Purchaser have received valid acceptances in respect of such Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH before or during the Chain Offers, will result in the Offeror, the Purchaser and TPH and parties acting in concert with the Offeror, the Purchaser and TPH holding such number of Shares carrying more than 50% of the voting rights attributable to the maximum potential issued share capital (excluding any Shares held in treasury) of the Company (the "Minimum Acceptance Condition"). For this purpose, the "maximum potential issued share capital of the Company" means the total number of Shares which would be in issue had all outstanding

instruments convertible into, rights to subscribe for, and options in respect of, the Shares (including pursuant to the 2019 Restricted A-Share Incentive Scheme) (other than those acquired or agreed to be acquired by the Offeror, the Purchaser and TPH) been exercised as at the date of such declaration.

### **3.5 Warranty**

Acceptance of the S Shares Chain Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting S Shares Shareholder that each S Offer Share tendered in acceptance of the S Shares Chain Offer is sold by the accepting S Shares Shareholder, as or on behalf of the beneficial owner(s) thereof, (a) fully paid; (b) free from Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Possible Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon by the Company in respect of the S Shares on or after the Possible Offer Announcement Date).

### **3.6 Closing Date**

Except insofar as the S Shares Chain Offer may be withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, Rule 22.3 of the Code requires the S Shares Chain Offer to be open for acceptances by S Shares Shareholders for a period of at least 28 days from the date of posting of this Offer Document.

**Accordingly, the S Shares Chain Offer will close at 5:30 p.m. (Singapore time) on 29 April 2021. Notice is hereby given that the Offeror will not extend the S Shares Chain Offer beyond 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date and the S Shares Chain Offer will not be open for acceptances beyond 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date, save that such notice shall not be capable of being enforced in a competitive situation.**

### **3.7 Details of the S Shares Chain Offer**

**Appendix VI** to this Offer Document sets out further details on (a) the duration of the S Shares Chain Offer; (b) the settlement of the consideration for the S Shares Chain Offer; (c) the requirements relating to the announcement of the level of acceptances of the S Shares Chain Offer; and (d) the right of withdrawal of acceptances of the S Shares Chain Offer.

### **3.8 Procedures for Acceptance**

**Appendix VII** to this Offer Document sets out the procedures for acceptance of the S Shares Chain Offer.

### **3.9 No Options Proposal**

Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new S Shares granted under any employee share option scheme of the Company



as at the Formal Offer Announcement Date. In view of the foregoing, the Offeror will not make an offer to acquire any such options.

#### **4. THE A SHARES CHAIN OFFER**

##### **4.1 A Shares Chain Offer**

Pursuant to the Acquisition, the Purchaser will on 29 March 2021 make the A Shares Chain Offer to acquire all the A Offer Shares.

##### **4.2 A Offer Shares**

The A Shares Chain Offer is extended to all the A Shares, other than those A Shares with selling restrictions and those A Shares already owned, controlled or agreed to be acquired by the Purchaser, the Offeror and TPH (the "**A Offer Shares**", and collectively with the S Offer Shares, the "**Offer Shares**").

##### **4.3 Consideration**

**For each A Offer Share: RMB17.43 in cash** (the "**A Shares Offer Price**" and together with the S Shares Offer Price, the "**Offer Prices**")

Further details on the computation of the A Shares Offer Price are set out in paragraph 2 of this Offer Document.

The A Offer Shares will be acquired:

- (a) fully paid;
- (b) free from all Encumbrances; and
- (c) together with all rights, benefits and entitlements attached thereto as at the Possible Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon by the Company in respect of the A Shares on or after the Possible Offer Announcement Date).

**If any dividend, right or other distribution or return of capital is announced, declared, paid or made by the Company in respect of the A Shares on or after the Possible Offer Announcement Date, the Purchaser reserves the right to reduce the A Shares Offer Price by an amount equivalent to such dividend, right, other distribution or return of capital.**

##### **4.4 Unconditional Offer**

Pursuant to the PRC Acquisition Rules, the A Shares Chain Offer will be unconditional in all respects.

#### **4.5 Warranty**

Acceptance of the A Shares Chain Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting A Shares Shareholder that each A Offer Share tendered in acceptance of the A Shares Chain Offer is sold by the accepting A Shares Shareholder, as or on behalf of the beneficial owner(s) thereof, (a) fully paid; (b) free from Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Possible Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon by the Company in respect of the A Shares on or after the Possible Offer Announcement Date).

#### **4.6 Closing Date**

The A Shares Chain Offer will be valid for 30 days, from 31 March 2021 to 29 April 2021. Within the last three (3) trading days before expiry of the A Shares Chain Offer Period, the pre-accepted A Shares Chain Offer cannot be withdrawn. During the A Shares Chain Offer Period, A Shares Shareholders may check the number of pre-accepted A Shares and withdrawal thereof up to the latest trading day on the website of the SSE (<https://www.sse.com.cn>).

**Notice is hereby given that the Purchaser will not extend the A Shares Chain Offer beyond 29 April 2021 and the A Shares Chain Offer will not be open for acceptances beyond 29 April 2021, save that such notice shall not be capable of being enforced in a competitive situation.**

#### **4.7 Details of the A Shares Chain Offer**

**Appendix VI** to this Offer Document sets out further details on (a) the settlement of the consideration for the A Shares Chain Offer; (b) the requirements relating to the announcement of the level of pre-acceptances of the A Shares Chain Offer; and (c) the right of withdrawal of pre-acceptances of the A Shares Chain Offer.

#### **4.8 Procedures for Acceptance**

**Appendix VIII** to this Offer Document sets out the procedures for pre-acceptance of the A Shares Chain Offer.

#### **4.9 No Options Proposal**

Based on the latest information available to the Purchaser, there are no outstanding options to subscribe for new A Shares granted under any employee share option scheme of the Company as at the Formal Offer Announcement Date. In view of the foregoing, the Purchaser will not make an offer to acquire any such options.

## **5. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES**

### **5.1 The Offeror**

The Offeror was incorporated in Singapore on 2 December 2009 and has been a wholly-owned subsidiary of TPH since incorporation. The Offeror's principal activity is that of an investment holding company.

As at the Formal Offer Announcement Date, the Offeror has an issued and paid-up share capital of USD5,000,000 comprising 5,000,000 issued and paid-up ordinary shares.

The board of directors of the Offeror are Wang Jiaying and Wu Wing Yeu Michael.

**Appendix I** to this Offer Document sets out additional information on the Offeror.

### **5.2 The Purchaser**

The Purchaser was incorporated in Tianjin, the PRC, on 21 October 2020 by Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司), Shenzhen Qianhai Furong Asset Management Co., Ltd (深圳市前海富荣资产管理有限公司), Shenzhen Ruice Biological Medical Development Co., Ltd (深圳市瑞测生物医药发展有限公司) and Hainan Special Economic Zone Yousheng Enterprise Management Limited Partnership (海南经济特区友盛企业管理合伙企业(有限合伙)) for the purpose of undertaking the Acquisition.

As at the Formal Offer Announcement Date:

- (a) the Purchaser has a registered capital of RMB5 billion; and
- (b) the board of directors of the Purchaser comprises:
  - (i) Xu Bo (徐波) (Chairman and Legal Representative);
  - (ii) Luo Xuan (罗讚);
  - (iii) Guo Tao (郭涛);
  - (iv) Guo Min (郭民);
  - (v) Feng Jun (冯骏); and
  - (vi) Zhang Hai Chen (张海晨).

**Appendix II** to this Offer Document sets out certain additional information on the Purchaser.

### 5.3 TPH

TPH is a vast conglomerate with over 160 subsidiaries across the world, and prior to the Acquisition, was wholly-owned by the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府国有资产监督管理委员会) through its wholly-owned subsidiaries, the Vendor and Tianjin Tsinlien Investment Holding Co., Ltd (天津津联投资控股有限公司). As at the Formal Offer Announcement Date, the shareholders of TPH are the Purchaser (67%) and the Vendor (33%).

As at the Formal Offer Announcement Date:

- (a) TPH has an aggregate interest in 325,855,528 A Shares and 5,265,000 S Shares, representing approximately 42.8% of the total voting rights of the Company; and
- (b) the board of directors of TPH comprises:
  - (i) Guo Min (郭民) (Chairman);
  - (ii) Cui Xiaofei (崔小飞) (Vice-Chairman);
  - (iii) Zhong Tao (钟涛);
  - (iv) Jiang Kai (蒋恺);
  - (v) Lu Yanchang (卢彦昌);
  - (vi) Luo Xuan (罗饒);
  - (vii) Lu Zefeng (陆泽峰);
  - (viii) Yu Kexiang (于克祥); and
  - (ix) Yu Yang (于洋).

**Appendix III** to this Offer Document sets out certain additional information on TPH.

## 6. INFORMATION ON THE COMPANY

**6.1** Based on publicly available information, the Company was incorporated as a company limited by shares on 29 December 1981 in Tianjin, the PRC.

**6.2** As at the Formal Offer Announcement Date, based on publicly available information:

- (a) the Company's issued and paid-up share capital comprises:
  - (i) 200,000,000 S Shares representing 25.85% of the total number of Shares; and

- (ii) 573,643,076 A Shares representing 74.15% of the total number of Shares, of which 7,775,000 A Shares are restricted and cannot be traded on the market for a restricted period; and
- (b) the board of directors of the Company comprises:
- (i) Li Liqun (Chairman);
  - (ii) Wang Mai (Executive Director);
  - (iii) Zhou Hong (Executive Director);
  - (iv) Li Yan (Executive Director);
  - (v) Tang Tiejun (Non-Executive Director);
  - (vi) Zhang Ping (Non-Executive Director);
  - (vii) Qiang Zhiyuan (Lead Independent and Non-Executive Director);
  - (viii) Wong Gang (Independent and Non-Executive Director); and
  - (ix) Liew Yoke Pheng Joseph (Independent and Non-Executive Director).

The shareholding structure of the Company as of the Formal Offer Announcement Date is as follows:

<b>Shares</b>	<b>Number of Shares</b>	<b>Percentage (%)</b>
Shares with selling restrictions	7,775,000	1.01%
Shares without selling restrictions	765,868,076	99.00%
Out of which: A Shares without selling restrictions	565,868,076	73.14%
S Shares without selling restrictions	200,000,000	25.85%
<b>Total Shares</b>	<b>773,643,076</b>	<b>100.00%</b>

**Appendix IV** to this Offer Document sets out additional information on the Company.

## **7. RATIONALE FOR THE CHAIN OFFERS AND OFFEROR'S INTENTIONS**

### **7.1 Compliance with Code and PRC Regulations**

As a result of the Acquisition, the Offeror and the Purchaser are making the Chain Offers in compliance with the requirements of the Code, the PRC Securities Law and the PRC Acquisition Rules.

### **7.2 Intentions of the Offeror and the Purchaser for the Company**

As at the Formal Offer Announcement Date:

- (a) the Purchaser and the Offeror have no plans for the Company or its subsidiaries to merge, enter into any joint venture or cooperate with a third party, nor does it have any restructuring plan to acquire or substitute the material assets of the Company;
- (b) the Purchaser will, after completion of the Acquisition and the Chain Offers, recommend qualified directors, supervisors and senior management to the Company for appointment of directors and supervisors by a general meeting in accordance with applicable laws, regulations and articles of association of the Company and appointment of senior management by the board of the Company. The Purchaser does not have any agreement (implied or express) with other shareholders of the Company regarding the appointment and removal of the supervisors, directors and senior management of the Company;
- (c) the Purchaser and the Offeror do not have any plans to amend the articles of association of the Company which may impede the acquisition of control of the Company;
- (d) the Purchaser and the Offeror do not have any plans to materially change the employment arrangements of the existing employees of the Company;
- (e) the Purchaser and the Offeror do not have any plans to make any changes to the dividend policy of the Company;
- (f) the Purchaser and the Offeror do not have any plans to redeploy any of the fixed assets of the Company; and
- (g) the Purchaser and the Offeror do not have any other plans which may have a material impact on the business and organisation of the Company.

However, the Offeror and the Purchaser retain the flexibility at any time to further consider any options or opportunities which may present themselves and which the Purchaser and the Offeror may regard to be in the interests of the Company and its subsidiaries.

## 8. FINANCIAL EVALUATION OF THE S SHARES CHAIN OFFER

### S Shares Offer Price

The S Shares Offer Price represents the following discount over the historical transacted prices of the S Shares on the SGX-ST:

Description	Benchmark Price (USD) <sup>(1)</sup>	Premium / (Discount) over Benchmark Price (%) <sup>(2)</sup>
Last transacted price per S Share on 17 December 2020	1.090	(18.0%)
VWAP of the S Shares traded on the SGX-ST for the one (1)-month period prior to and including 17 December 2020	0.979	(8.7%)
VWAP of the S Shares traded on the SGX-ST for the three (3)-month period prior to and including 17 December 2020	0.911	(1.9%)
VWAP of the S Shares traded on the SGX-ST for the six (6)-month period prior to and including 17 December 2020	0.897	(0.3%)

**Notes:**

- (1) The figures set out in the table above are based on data extracted from Bloomberg L.P., and rounded to the nearest three (3) decimal places.
- (2) Rounded to the nearest one (1) decimal place.

## 9. LISTING STATUS AND COMPULSORY ACQUISITION

### 9.1 Trading Suspension and Listing Status

(a) S Shares Chain Offer

Under Rule 723 of the Listing Manual, an issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public (the "**Free Float Requirement**").

Under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not satisfied, the issuer must, as soon as practicable, announce that fact and the SGX-ST may

suspend trading of the class, or all the securities of the issuer listed on the SGX-ST. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the issuer a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of securities held in public hands to at least 10%. The issuer may be removed from the list of issuers maintained by the SGX-ST if it fails to restore the percentage of securities in public hands to at least 10% after the period.

Pursuant to Rule 1105 of the Listing Manual, where a takeover offer is made for the securities of an issuer, upon the announcement by the offeror that acceptances have been received that brings the holdings owned by the offeror and parties acting in concert with it to above 90% of the total number of issued shares excluding treasury shares, the SGX-ST may suspend the trading of such securities in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of issued shares excluding treasury shares are held by at least 500 shareholders who are members of the public.

Rule 1303(1) of the Listing Manual provides that, in a take-over situation, where the offeror succeeds in garnering acceptances exceeding 90% of the issuer's total number of issued shares excluding treasury shares, thus causing the percentage of an issuer's total number of issued shares excluding treasury shares held in public hands to fall below 10%, the SGX-ST will suspend trading of the listed securities of the issuer only at the close of the take-over offer.

(b) A Shares Chain Offer

Pursuant to the PRC Securities Law and the Listing Rules of SSE 《上海证券交易所股票上市规则》 (the "**SSE Listing Rules**") (considering that the total equity of the Company is above RMB400 million) if the public shareholding in the Company is less than 10% of the outstanding Shares upon expiry of the A Shares Chain Offer Period, there is a risk that the Company may not be able to maintain its listing status on the SSE due to failure to satisfy the public float requirements.

## 9.2 Compulsory Acquisition

As the Company is incorporated in the PRC, the Purchaser and/or the Offeror have no rights of compulsory acquisition under the laws of the PRC.

## 9.3 Offeror's and Purchaser's Intentions

(a) S Shares Chain Offer

It is the current intention of the Offeror to maintain the listing status of the S Shares of the Company on the Main Board of the SGX-ST. However, in the event that the Company does not meet the Free Float Requirement at the close of the Chain Offers, the Offeror reserves the right to re-evaluate its position, depending on, *inter alia*, the ultimate level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.



(b) A Shares Chain Offer

Pursuant to Clauses 12.14, 13.4.1(5), 13.4.9(5), 13.4.11, 13.4.14(5) of the SSE Listing Rules, if a general offer results in a listed company not meeting the public float requirements, but the acquirer does not intend to delist the listed company, the shares of the listed company should be continuously halted for one (1) month following the date the results of the general offer are announced. If within one (1) month, the public float requirements are still not satisfied, the shares of the listed company will resume trading and will be marked as having delisting risk. If the public float requirements are still not satisfied within six (6) months from the date the shares of the listed company are marked as having delisting risk, or an application for the withdrawal of the delisting risk warning is not submitted within five (5) trading days from the date on which the public float requirements are satisfied within such six (6) months, the shares of the listed company will be delisted.

If the A Shares are marked as having delisting risk, suspended from trading or delisted, the A Shares Shareholders may suffer loss and the A Shares Shareholders are reminded that there may be such risk. If the public float requirements are no longer satisfied as a result of the Chain Offers, the Purchaser will, as an indirect shareholder of the Company, actively exercise its voting rights or otherwise propose or endorse other solutions in line with laws, regulations and articles of association of the Company to procure that the Company will propose and implement a solution for maintenance of its listing status. If the Company is ultimately delisted, the Purchaser will, via proper arrangements, procure that the A Shares Shareholders holding the remaining A Shares will be able to sell their A Shares to the Purchaser at the A Shares Offer Price.

**10. ELECTRONIC DESPATCH OF THE OFFER DOCUMENT**

In line with the public statements issued by the SIC dated 6 May 2020 and 29 September 2020 on the despatch of take-over documents under the Code, no printed copies of this Offer Document will be despatched to the Shareholders.

Instead, this Offer Document will be despatched electronically to the Shareholders through publication on the website of the SGX-ST and the SSE. Hardcopy notifications with instructions on how the S Shares Shareholders can locate the Offer Document electronically together with hardcopy FAAs will be despatched by post to the S Shares Shareholders.

Electronic copies of this Offer Document are available on the website of the SGX-ST (<http://www.sgx.com>) and the SSE (<https://www.sse.com.cn>). Shareholders will need an internet browser and PDF reader to view these documents on the websites of the SGX-ST and the SSE.

**11. OVERSEAS SHAREHOLDERS**

The availability of the S Shares Chain Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the

relevant overseas jurisdictions. Overseas Shareholders should also exercise caution in relation to the S Shares Chain Offer, as this Offer Document and the FAA have not been reviewed by any regulatory authority in any overseas jurisdiction. Where there are potential restrictions on sending this Offer Document and/or the FAA to any overseas jurisdiction, the Offeror, the Joint Singapore Financial Advisers and CDP each reserves the right not to send these documents to S Shares Shareholders in such overseas jurisdictions. For the avoidance of doubt, the S Shares Chain Offer is open to all S Shares Shareholders, including those to whom this Offer Document and/or the FAA have not been, or may not be, mailed or otherwise forwarded, distributed or sent.

Copies of this Offer Document and any formal documentation relating to the Chain Offers are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Chain Offers would violate the law of that jurisdiction (a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Chain Offers (unless otherwise determined by the Offeror or the Purchaser (as the case may be) and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Chain Offers will not be capable of acceptance by any such use, means, instrumentality or facilities.

It is the responsibility of any Overseas Shareholder who wishes to accept the S Shares Chain Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including the Joint Singapore Financial Advisers) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including the Joint Singapore Financial Advisers) may be required to pay. In accepting the S Shares Chain Offer, the Overseas Shareholder represents and warrants to the Offeror and the Joint Singapore Financial Advisers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

The Offeror and the Joint Singapore Financial Advisers each reserves the right to notify any matter, including the fact that the S Shares Chain Offer has been made, to any or all S Shares Shareholders who are not resident in Singapore by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any

failure by any S Shares Shareholder holding S Shares to receive or see such announcement, notice or advertisement.

## **12. CONFIRMATION OF FINANCIAL RESOURCES**

### **12.1 S Shares Chain Offer**

Bank of China, as one of the Joint Singapore Financial Advisers to the Offeror in respect of the S Shares Chain Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the S Shares Chain Offer by the S Shares Shareholders on the basis of the S Shares Offer Price.

### **12.2 A Shares Chain Offer**

Based on the A Shares Offer Price, the maximum amount of funds required for the A Shares Chain Offer will be RMB4,183,418,711.64. As the acquirer of the A Shares pursuant to the A Shares Chain Offer, the Purchaser has submitted a bank letter of guarantee issued by SPDB to the China Securities Depository and Clearing Corporation Limited Shanghai branch, covering the maximum amount required, as the guarantee for the A Shares Chain Offer.

The funds required for the A Shares Chain Offer will be funded entirely by internal resources and funds raised by the Purchaser without any funds directly or indirectly from the Company or its affiliates, nor are there any funds raised by pledging the shares to be acquired in favour of any financial institutions. The Purchaser covenants that it has the necessary capacity to perform the A Shares Chain Offer. Upon expiry of the A Shares Chain Offer Period, the Purchaser will accept the pre-accepted A Shares as kept by China Securities Depository and Clearing Corporation Limited Shanghai branch and acquire such A Shares according to the conditions of the A Shares Chain Offer.

## **13. DIRECTORS' RESPONSIBILITY STATEMENT**

### **13.1 The Offeror and TPH**

The directors of the Offeror and TPH (including those who may have delegated detailed supervision of this Offer Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Offer Document (other than those relating to the Company, the Purchaser and the A Shares Chain Offer) are fair and accurate and that there are no other material facts not contained in this Offer Document, the omission of which would make any statement in this Offer Document misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company or Purchaser, the sole responsibility of the directors of the Offeror and TPH has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Document.

The directors of the Offeror and TPH jointly and severally accept responsibility accordingly.

### **13.2 The Purchaser**

The directors of the Purchaser (including those who may have delegated detailed supervision of this Offer Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Offer Document (other than those relating to the Company, the Offeror, TPH and the S Shares Chain Offer) are fair and accurate and that there are no other material facts not contained in this Offer Document, the omission of which would make any statement in this Offer Document misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the Offeror or TPH, the sole responsibility of the directors of the Purchaser has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Document.

The directors of the Purchaser jointly and severally accept responsibility accordingly.

## **14. GENERAL**

### **14.1 Accidental Omission**

Any omission relating to the despatch of this Offer Document and/or the FAA, or any notice, advertisement or announcement required to be given under the terms of the Chain Offers to, or any failure to receive the same by, any person to whom the Chain Offers are made or should be made shall not invalidate the Chain Offers in any way.

### **14.2 Information Pertaining to SRS Investors**

SRS Investors should receive further information on how to accept the S Shares Chain Offer from their SRS Agent Banks. SRS Investors are advised to consult their SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice. SRS Investors who wish to accept the S Shares Chain Offer are to reply to their SRS Agent Banks by the deadline stated in the letter from their respective SRS Agent Banks, which may be earlier than the S Shares Chain Offer Closing Date. SRS Investors will receive the consideration payable in respect of their S Offer Shares validly tendered in acceptance of the S Shares Chain Offer through appropriate intermediaries in their SRS investment accounts.

### **14.3 No Third Party Rights**

Unless expressly provided otherwise in this Offer Document and/or the FAA, a person who is not a party to any contracts made pursuant to the Chain Offers, this Offer Document and/or the FAA has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary

(including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

#### **14.4 Valid Acceptances**

The Offeror and the Joint Singapore Financial Advisers each reserves the right to treat acceptances of the S Shares Chain Offer as valid if received by or on behalf of any of them at any place or places determined by them otherwise than as stated herein or in the FAA, or if made otherwise than in accordance with the provisions and instructions herein and in the FAA.

#### **14.5 Independent Advice**

The Joint Singapore Financial Advisers are acting for and on behalf of the Offeror and do not purport to advise the Shareholders. In preparing their letter to the Shareholders for and on behalf of the Offeror, the Joint Singapore Financial Advisers have not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder. You must make your own decision as to whether to tender your Shares. If you are in doubt as to the action you should take, you should immediately seek your own advice from your relevant financial, legal or tax advisers or other independent financial adviser(s).

#### **14.6 General Information**

**The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Chain Offers will be made available to the Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the posting of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Chain Offers.**

**Appendix V** to this Offer Document sets out additional general information relating to the Chain Offers. Your attention is drawn to all the Appendices which form part of this Offer Document.

Issued by

**DBS BANK LTD.**

**BANK OF CHINA LIMITED, SINGAPORE  
BRANCH**

For and on behalf of

**TIANJIN PHARMACEUTICAL (SINGAPORE) INTERNATIONAL INVESTMENT PTE. LTD.**

26 March 2021

*Any enquiries relating to this Offer Document or the Chain Offers should be directed during office hours to:*

**DBS Bank Ltd.**

Strategic Advisory

Tel: (65) 6682 8999

## APPENDIX I – ADDITIONAL INFORMATION ON THE OFFEROR

### 1. **DIRECTORS OF THE OFFEROR**

The names, addresses and descriptions of the directors of the Offeror as at the Formal Offer Announcement Date are as follows:

<b>Name</b>	<b>Address</b>	<b>Description</b>
Wang Jiaying	9 Temasek Boulevard, #38-02, Suntec Tower Two, Singapore (038989)	Director
Wu Wing Yeu Michael	9 Temasek Boulevard, #38-02, Suntec Tower Two, Singapore (038989)	Director

### 2. **PRINCIPAL ACTIVITIES AND SHARE CAPITAL OF THE OFFEROR**

The Offeror is a private company limited by shares incorporated in the Republic of Singapore on 2 December 2009. The principal activity of the Offeror is that of an investment holding company. As of the Formal Offer Announcement Date, the Offeror has an issued and paid-up share capital of USD5,000,000 comprising 5,000,000 issued and paid-up ordinary shares.

### 3. **REGISTERED OFFICE**

The registered office of the Offeror is at 9 Temasek Boulevard, #38-02, Suntec Tower Two, Singapore (038989).

### 4. **SUMMARY OF FINANCIAL INFORMATION**

Certain financial information of the Offeror as extracted from the FY2017 Audited Financial Statements, FY2018 Audited Financial Statements, FY2019 Audited Financial Statements and FY2020 Unaudited Financial Statements (collectively, the "**Offeror Financial Statements**") is set out below. Such financial information should be read in conjunction with the Offeror Financial Statements and the accompanying notes as set out therein. Copies of the Offeror Financial Statements are available for inspection as mentioned in paragraph 4 of **Appendix V** to this Offer Document.

#### 4.1 Selected Financial Information relating to Income Statements

	Financial year ended 31 December 2020 S\$'000 (Unaudited)	Financial year ended 31 December 2019 S\$'000 (Audited)	Financial year ended 31 December 2018 S\$'000 (Audited)	Financial year ended 31 December 2017 S\$'000 (Audited)
Revenue	280	206	196	146
Exceptional Items	-	-	-	-
Net Profit Before Tax	265	189	190	107
Net Profit After Tax	265	189	190	107
Minority Interests	0	0	0	0
Net Earnings Per Share	0.053	0.038	0.038	0.021
Net Dividends Per Share	0	0	0	0

#### 4.2 Statement of Assets and Liabilities as at 31 December 2019 (Audited) and 31 December 2020 (Unaudited)

The statement of financial position of the Offeror as at 31 December 2019, as extracted from the FY2019 Audited Financial Statements and FY2020 Unaudited Financial Statements, is set out below.

	FY2020 S\$'000 (Unaudited)	FY2019 S\$'000 (Audited)
<b><u>ASSETS</u></b>		
<b><i>Non-current assets</i></b>		
<i>Long-term equity investment</i>	0	0
<i>Available-for-sale investment</i>	0	0
<i>Investment</i>	6126	6029
<i>Total non-current assets</i>	6126	6029
<b><i>Current assets</i></b>		
<i>Cash and cash equivalents</i>	1846	1586
<i>Total current assets</i>	1846	1586
<b>TOTAL ASSETS</b>	<b>7972</b>	<b>7615</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><i>Capital and reserves</i></b>		
<i>Share capital</i>	6450	6450
<i>Capital reserve</i>	0	0
<i>Foreign currency translation reserve</i>	0	0

	<b>FY2020 S\$'000 (Unaudited)</b>	<b>FY2019 S\$'000 (Audited)</b>
<i>Other reserves</i>	(1009)	(1106)
<i>Retained earnings</i>	2522	2260
<i>Equity attributable to owners of the company</i>	7963	7604
<b>TOTAL EQUITY</b>	<b>7963</b>	<b>7604</b>
<b>Current liabilities</b>		
<i>Bank loan</i>	0	0
<i>Other payables</i>	9	11
<i>Income tax payable</i>	0	0
<i>Total current liabilities</i>	9	11
<b>TOTAL LIABILITIES</b>	<b>9</b>	<b>11</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7972</b>	<b>7615</b>

**5. MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Formal Offer Announcement Date, save as a result of the making and/or financing of the Acquisition and the Chain Offers and/or as disclosed in this Offer Document, there have been no known material changes in the financial position of the Offeror since 31 December 2019, being the date of the last published audited accounts of the Offeror.

**6. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies of the Offeror are set out in pages 10 to 17 of the FY2019 Audited Financial Statements, a copy of which is available for inspection as mentioned in paragraph 4 of **Appendix V** to this Offer Document.

**7. CHANGES IN ACCOUNTING POLICIES**

There has been no change in the accounting policies of the Offeror since 31 December 2019, being the date of the last published audited accounts of the Offeror, which will cause the figures set out in paragraph 4 of this **Appendix I** not to be comparable to a material extent.



## APPENDIX II – ADDITIONAL INFORMATION ON THE PURCHASER

### 1. DIRECTORS AND MAIN OFFICERS OF THE PURCHASER

The names, addresses and descriptions of the directors of the Purchaser as at the Formal Offer Announcement Date are as follows:

<b>Name</b>	<b>Address</b>	<b>Description</b>
Xu Bo (徐波)	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC	Chairman and Legal Representative
Luo Xuan (罗讚)	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC	Director
Guo Tao (郭涛)	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC	Director
Guo Min (郭民)	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC	Director
Feng Jun (冯骏)	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC	Director
Zhang Hai Chen (张海晨)	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC	Director

As at the Formal Offer Announcement Date, the main officers of the Purchaser are as follows:

<b>Name</b>	<b>Position</b>	<b>Nationality</b>	<b>Residence</b>	<b>Overseas residence rights</b>
Xu Bo	Director	Chinese	China	No
Feng Jun	Director	Chinese	China	No
Luo Xuan	Director	Chinese	Hong Kong SAR, China	No
Guo Min	Director	Chinese	Hong Kong SAR, China	No
Guo Tao	Director, CFO	Chinese	China	No

Zhang Hai Chen	Director	Chinese	China	No
Chen Jin Zhu	General manager	Chinese	China	No
Wang Li Bin	Supervisor	Chinese	China	No
Jiang Kai	Supervisor	Chinese	China	No

As at the Formal Offer Announcement Date, the above officers have not been administratively or criminally penalised (except those not related to the securities market), nor have they been involved in any material civil litigations or arbitration involving economic disputes in the past five (5) years.

## **2. PRINCIPAL ACTIVITIES AND SHARE CAPITAL OF THE PURCHASER**

The Purchaser was incorporated in Tianjin, the PRC, on 21 October 2020 by Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司), Shenzhen Qianhai Furong Asset Management Co., Ltd (深圳市前海富荣资产管理有限公司), Shenzhen Ruice Biological Medical Development Co., Ltd (深圳市瑞测生物医药发展有限公司) and Hainan Special Economic Zone Yousheng Enterprise Management Limited Partnership (海南经济特区友盛企业管理合伙企业(有限合伙)). The Purchaser has a registered capital of RMB5 billion.

The principal activity of the Purchaser is that of a special purpose vehicle incorporated by its shareholders solely for the purpose of undertaking the Acquisition. It is intended to be used as a platform for management and operation of TPH by the Purchaser's shareholders.

## **3. REGISTERED OFFICE**

The registered office of the Purchaser is at 2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin, PRC.

## **4. SUMMARY OF FINANCIAL INFORMATION**

The Purchaser was incorporated on 21 October 2020. Certain financial information of the Purchaser as extracted from the FY2020 Audited Financial Statements<sup>2</sup> is set out below. Such financial information should be read in conjunction with the FY2020 Audited Financial Statements and the accompanying notes as set out therein. Copies of the FY2020 Audited

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<sup>2</sup> Audited by BDO China Shu Lun Pan Certified Public Accountants LLP (立信会计师事务所(特殊普通合伙)), which issued a standard unqualified audit report. Please note that as the Purchaser has yet to carry out actual operations, an analysis of return on equity and liability to assets ratio is not applicable.

Financial Statements are available for inspection as mentioned in paragraph 4 of **Appendix V** to this Offer Document.

#### 4.1 Selected Financial Information relating to Income Statements

	<b>Financial year ended 31 December 2020 RMB (Audited)</b>
Revenue	0
Exceptional Items	0
Net Profit Before Tax	-1,493,063.67
Net Profit After Tax	-1,493,063.67
Minority Interests	-
Net Earnings Per Share	-
Net Dividends Per Share	0

#### 4.2 Statement of Assets and Liabilities as at 31 December 2020 (Audited)

The statement of financial position of the Purchaser as at 31 December 2020, as extracted from the FY2020 Audited Financial Statements, is set out below.

	<b>FY2020 RMB (Audited)</b>
<b><u>ASSETS</u></b>	
<b><i>Non-current assets</i></b>	
<i>Long-term equity investment</i>	0
<i>Available-for-sale investment</i>	0
<i>Total non-current assets</i>	0
<b><i>Current assets</i></b>	
<i>Cash and cash equivalents</i>	8,506,941.33
<i>Other receivables</i>	4,619,949,532.00
<i>Total current assets</i>	4,628,456,473.33
<b>TOTAL ASSETS</b>	<b>4,628,456,473.33</b>
<b><u>EQUITY AND LIABILITIES</u></b>	
<b><i>Capital and reserves</i></b>	
<i>Share capital</i>	4,629,949,537
<i>Capital reserve</i>	0
<i>Foreign currency translation reserve</i>	0
<i>Other reserves</i>	0
<i>Retained earnings</i>	-1,493,063.67

<i>Equity attributable to owners of the company</i>	4,628,456,473.33
<b>TOTAL EQUITY</b>	<b>4,628,456,473.33</b>
<b>Current liabilities</b>	
<i>Bank loan</i>	0
<i>Other payables</i>	0
<i>Income tax payable</i>	0
<i>Total current liabilities</i>	0
<b>TOTAL LIABILITIES</b>	<b>0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,628,456,473.33</b>

## 5. **MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Formal Offer Announcement Date, save as a result of the making and/or financing of the Acquisition and the Chain Offers and/or as disclosed in this Offer Document, there have been no known material changes in the financial position of the Purchaser since its incorporation.

## 6. **SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies of the Purchaser are set out in notes 2 and 3 to the FY2020 Audited Financial Statements, a copy of which is available for inspection as mentioned in paragraph 4 of **Appendix V** to this Offer Document.

## 7. **CHANGES IN ACCOUNTING POLICIES**

There has been no change in the accounting policies of the Purchaser since 31 December 2020, being the date of the last published audited accounts of the Purchaser, which will cause the figures set out in paragraph 4 of this **Appendix II** not to be comparable to a material extent.

## 8. **ADDITIONAL INFORMATION ON THE PURCHASER**

### 8.1 **Basic Information of the Purchaser**

Name	Jinhushen Biological Medical Science and Technology Co., Ltd
Uniform social credit No.	91120103MA075MN31R
Registered capital	RMB5 billion
Date of incorporation	21 October 2020
Legal representative	XU Bo

Registered address	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin
Main business address	2-405 Peijian, Qi Xian Nan Li, Cross of Neijiangbei Road, Heiniucheng Avenue Nei, Hexi, Tianjin
Postcode	300202
Business scope	<p>General items: technical R&amp;D of biological and chemical products; technical service, technical development, technical consultancy, technical exchange, technology transfer and promotion; category 2 medical device sales; sales of pharmaceutical equipment; manufacturing pharmaceutical equipment; international freight agency; domestic freight agency; general goods warehousing (excluding dangerous chemical products subject to separate approvals); non-residential property leasing; general social and economical consultancy; management for self-invested assets; self-funded investment; (operation based on business license save for items where separate permits are required)</p> <p>Items subject to separate permits: manufacturing of drug; distribution of drug; retail of drug; sales of chemical products which may be used for narcotics; manufacturing category 3 medical device; manufacturing of category 2 medical device; sales of category 3 medical device; various construction works; import and export of goods and technology (separate permits to be obtained if necessary)</p>

## 8.2 The Shareholding Chart of the Purchaser

### (a) The shareholding chart of the Purchaser

As at the Formal Offer Announcement Date, the shareholding chart of the Purchaser is as follows:



### (b) Information of controlling shareholders and actual controller

The Purchaser does not have any controlling shareholder. Based on the Purchaser's constitution, all matters shall require the majority approval of the Purchaser's shareholders, with certain major decisions being subject to 2/3 majority approval of the Purchaser's shareholders. Accordingly, no shareholder of the Purchaser can control the decision making of a shareholders' meeting of the Purchaser on its own.

Each of the shareholders of the Purchaser has confirmed and undertaken that it will exercise its rights and obligations as a shareholder of the Purchaser in accordance with the constitution. Each shareholder of the Purchaser and its nominated director will exercise their rights independently in accordance with its internal protocol. None of the Purchaser's shareholders are holding any shares of the Purchaser on behalf of another shareholder of the Purchaser and there is no arrangement or agreement to act in concert and/or other benefit arrangement between the Purchaser's shareholders.

The board of directors of the Purchaser comprises six (6) directors. Each of Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司) and Shenzhen Qianhai Furong Asset Management Co., Ltd (深圳市前海富荣资产管理有限公司) are entitled to nominate two (2) directors to the board of directors of the Purchaser. Each of Shenzhen Ruice Biological Medical Development Co., Ltd (深圳市

瑞测生物医药发展有限公司) and Hainan Special Economic Zone Yousheng Enterprise Management Limited Partnership (海南经济特区友盛企业管理合伙企业 (有限合伙)) are entitled to nominate one (1) director to the board of directors of the Purchaser. No single shareholder of the Purchaser can nominate or control more than half of the board of directors of the Purchaser. All decisions of the board of directors of the Purchaser shall require the approval of the majority of the board of directors, with certain major decisions being subject to 2/3 majority approval of the directors. Each director shall have one (1) vote and the directors nominated by Shanghai Liuliguang Medical Development Co., Ltd (上海琉璃光医药发展有限公司) shall have a veto right over matters requiring 2/3 majority approval of the Purchaser's directors. No single shareholder of the Purchaser is able to control or determine the decisions of the board of directors of the Purchaser via their nominees on the board.

In summary, no single shareholder of the Purchaser is able to control the decision-making of the Purchaser at the board and/or shareholder level. Accordingly, the Purchaser does not have a controlling shareholder or actual controller.

Upon completion of the Acquisition, the Purchaser and the Vendor have become the shareholders of TPH and the board of directors of TPH has been re-constituted. The Purchaser will exercise its rights in the Company via TPH. This is not expected to have an adverse impact on the governance of the Company.

(c) Shares of listed companies and financial institutions owned by the Purchaser

As at the Formal Offer Announcement Date, the list of listed companies (other than the Company), banks, trust companies, securities companies or insurance companies etc., whether incorporated in the PRC or otherwise, in which the Purchaser directly or indirectly holds 5% or more of shares are as follows:

S/N	Company Name	Incorporation Date	Registered Capital RMB'0000	Main Business Activity	Shareholding Percentage	Method of Holding
1	Tianjin Tianyao Pharmaceutical Co., Ltd (天津天药药业股份有限公司)	1 December 1999	110,078.67	Corticosteroid raw material research, production and export	50.38%	through TPH
2	Lier Chemical Co., Ltd. (利尔化学股份有限公司)	26 July 2000	52,438.07	Pesticide research, production and sale	12.08%	through TPH
3	Bank of Tianjin Co., Ltd. (天津银行股份有限公司)	6 November 1996	607,055.18	Commercial bank	8.06%	through TPH
4	Tianjin Rural Commercial Bank Co., Ltd. (天津农村商业银行股份有限公司)	13 June 2010	836,500.00	Commercial bank	8.97%	through TPH

- (d) Punishment, litigations and arbitrations involving the Purchaser in the past five (5) years

As at the Formal Offer Announcement Date, the Purchaser has not been administratively or criminally penalised (except those not related to the securities market), nor is it involved in any material civil litigation or arbitration involving economic disputes. In addition, based on the search results from the PRC Enforcement Information Network, the Purchaser is not listed as a target of enforcement nor has it been in default of any judgement.

### **8.3 Share Acquisition and Disposal Plans during the next 12 months**

As at the Formal Offer Announcement Date, the Purchaser has no plans to buy additional Shares or otherwise dispose of Shares within the next 12 months other than the Chain Offers.

- 8.4** This Offer Document has been properly authorised and approved by the Purchaser and will (a) not be in conflict with; or (b) breach any terms and conditions of its articles of association or internal regulations.

- 8.5** Save as disclosed in this Offer Document, the Purchaser hereby confirms as follows:

- (a) as at the Formal Offer Announcement Date, the Purchaser or its affiliates have not taken or proposed to take any actions which may have a material impact on the A Shares Chain Offer nor are there any other facts which may have a material impact on the A Shares Chain Offer;
- (b) there is no other information which must be disclosed by the Purchaser to avoid any misunderstanding of the information in this Offer Document;
- (c) there is no other information which should be disclosed by the Purchaser and which has a material impact on the decision making by the Shareholders as to whether to accept the Chain Offers or not;
- (d) there is no other information which should be disclosed by the Purchaser as per requirements from the CSRC and SSE; and
- (e) none of the following circumstances as prescribed under the PRC Acquisition Rules and other regulations is applicable to the Purchaser:
  - (i) the Purchaser has a material debt which was not repaid at maturity and remains unpaid;
  - (ii) there is material non-compliance or violation of applicable laws and regulations during the last three (3) years on the part of the Purchaser;
  - (iii) there is a material discrediting event regarding the securities market during the past three (3) years on the part of the Purchaser; and



- (iv) other events as prescribed by the CSRC, applicable rules and regulations which disqualifies the Purchaser from acquiring a listed company.

## **8.6 Declaration on the Purchaser's Capability to Fulfil the A Shares Chain Offer**

Regarding its capability to fulfill the A Shares Chain Offer, the Purchaser represents as follows:

"The Purchaser undertakes that the Purchaser has the capacity to fulfill the A Shares Chain Offer. Upon expiry of the A Shares Chain Offer period, the Purchaser will fulfill the A Shares Chain Offer based on its terms and conditions according to the results of the pre-accepted A Shares which are in custody of the China Securities Depository and Clearing Corporation Limited Shanghai branch as confirmed by Changjiang Financing Services Co., Limited."

SPDB, being the bank issuing the bank letter of guarantee for the A Shares Chain Offer represents as follows:

"If the Purchaser fails to pay the A Shares Offer Price or purchase the pre-accepted A Shares upon expiry of the A Shares Chain Offer Period, we will, within three (3) days from receipt of the written notice from China Securities Depository and Clearing Corporation Limited Shanghai branch, unconditionally fulfill the payment obligations subject to the cap provided in the bank letter of guarantee."

## **8.7 Competition and Related Party Transactions between the Company and the Purchaser and its Affiliates after Completion of the A Shares Chain Offer**

### **(a) Competition**

As of the Formal Offer Announcement Date, the Purchaser and any companies under its control do not engage in any business which is same or similar to the Company, nor is there any competition with the Company.

As of the Formal Offer Announcement Date, the business of the affiliate of the Purchaser, Shanghai Pharmaceutical Holdings Co., Ltd., covers the pharmaceutical industry and commercial business as a large scale pharmaceutical group listed in Hong Kong and Shanghai. After the completion of the Acquisition, Shanghai Pharmaceutical Holdings Co., Ltd. may potentially carry out business which directly or indirectly competes with the Company in respect of the production of traditional Chinese medicine.

To eliminate the potential competition with the Company, the Purchaser issued the following non-compete undertaking:

"As long as we directly or indirectly control the Company:

- (i) We and any other organisations under our control will not engage in any business or activities which directly or indirectly competes with the Company whether in or outside PRC.

In the event of business expansion by the Company, we undertake and will procure that we and any organisations under our control will avoid competition with the Company for such expanded business. If we, or any organisations under our control have any business opportunities to engage or be involved in any business which may compete with the Company now or in the future, we will take all necessary and reasonable steps to procure that we or any organisations under our control will offer such opportunities to the Company. If the Company rejects such opportunity, we and any organisations under our control will offer such opportunities to unrelated third parties, give up the opportunity or otherwise deal with the opportunity in such a way that is beneficial to maintain the interest of the Company and to avoid competition.

- (ii) Regarding the Company and any organisations under our control, we will procure the compliance with such undertaking by the appointed personnel (including directors and management personnel appointed/nominated by us) to avoid competition with the Company.
- (iii) We warrant that we will not damage the lawful interest of the Company and the minority shareholders, nor obtain any extra benefits based on our controlling shareholder status.
- (iv) We confirm that each and every undertaking, representation contained in this letter is an independent and enforceable obligation. In case of any breach, the Company may request us or any organisations under our control that is in breach to immediately stop the competition and claim against them for direct or indirect losses, damages and costs incurred therefrom."

(b) Related party transactions

(i) Related party transactions

Before the completion of the A Shares Chain Offer, the affiliate of the Purchaser and the Company, Shanghai Pharmaceutical Holdings Co., Ltd., had drug-related sale and purchase transactions with the Company. Within the last 24 months, its transactions with the Company are as follows:

Table for sale of goods / provision of services

Counter party	Details of the transaction	Year 2020 RMB'0000	Year 2019 RMB'0000
Shanghai Pharmaceutical Holdings Co., Ltd.	Sale	18,582.27 <sup>(1)</sup>	25,352.27 <sup>(1)</sup>

Table for the purchase of goods / receipt of services

<b>Counter party</b>	<b>Details of the transaction</b>	<b>Year 2020 RMB'0000</b>	<b>Year 2019 RMB'0000</b>
Shanghai Pharmaceutical Holdings Co., Ltd.	Purchase	3,258.36 <sup>(1)</sup>	4,139.56 <sup>(1)</sup>

**Note:**

(1) Amount not including tax.

(ii) Related party transactions after completion of the A Shares Chain Offer

After completion of the A Shares Chain Offer, the affiliate of the Purchaser, Shanghai Pharmaceutical Holdings Co., Ltd., may continue to carry out business with the Company. If the aforesaid constitutes a related party transaction, the Company will, based on the principles of fairness, equity and equality, make decisions regarding related party transactions in accordance with applicable laws, regulations, rules and the articles of association to prevent transfer of benefits due to affiliation and to ensure that the interests of investors are not harmed.

(iii) Arrangements for related party transactions

After completion of the A Shares Chain Offer, it is expected that the Purchaser and its affiliates will not undertake any new material related party transactions with the Company. In the event there are such related party transactions, such transactions will be carried out in compliance with the SSE Listing Rules and articles of association of the Company. Relevant disclosures will also be made in a timely manner.

Regarding the A Shares Chain Offer, the Purchaser has issued an undertaking to reduce and formalise related party transactions as follows:

"As long as we directly or indirectly control the Company (including controlling 5% or more of the Company):

- (A) We will exercise our rights and fulfill our obligations as a shareholder in good faith, we will not procure any resolutions of the board or general meeting of the Company to damage the interest of the minority shareholders; in the case of related party transactions with the Company or any company under its control, we will conduct such transactions on fair, reasonable and arm's length commercial terms and conditions and will not request the Company or any company under its control to accept any terms which are less favourable (as compared to those offered by a third party) and will strictly perform all related party transactions with the Company and companies under its

control in good faith; we will not demand any extra benefits or interest from the Company other than the above.

- (B) We will strictly comply with the laws and regulations and the articles of association of the Company without damaging the interest of the minority shareholders.
- (C) We will procure other companies under our control to comply with the above undertakings.
- (D) In case of breach of the aforesaid undertakings, we will be held liable, including without limitation, to indemnify to the Company and any minority shareholders for all losses and damages suffered."

## **8.8 Material Transactions with the Company**

During the 24 months before the Formal Offer Announcement Date, the Purchaser and its directors, supervisors and senior management (or the main persons in charge) did not have any of the following material transactions with the following persons:

- (a) any transactions with the Company or its subsidiaries with an aggregate value of RMB30,000,000 or 5% or more of the latest audited net tangible assets of the Company;
- (b) any transaction with a value of RMB50,000 or more with any director, supervisor or senior management of the Company;
- (c) the existence of any compensation or similar arrangements for any director, supervisor or senior management of the Company who will be replaced; and
- (d) any other contract, understanding or arrangement which is being negotiated or has already been signed which has a material impact on the decision of the A Shares Shareholders as to whether to accept the A Shares Chain Offer or not.

## APPENDIX III – ADDITIONAL INFORMATION ON TPH

### 1. DIRECTORS OF TPH

The names, addresses and descriptions of the directors of TPH as at the Formal Offer Announcement Date are as follows:

Name	Address	Description
Guo Min (郭民)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Chairman
Cui Xiaofei (崔小飞)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Vice-Chairman
Zhong Tao (钟涛)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director
Jiang Kai (蒋恺)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director
Lu Yanchang (卢彦昌)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director
Luo Xuan (罗饒)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director
Lu Zefeng (陆泽峰)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director
Yu Kexiang (于克祥)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director
Yu Yang (于洋)	No. 109 Bawei Road, Hedong District, Tianjin, PRC	Director

### 2. PRINCIPAL ACTIVITIES AND SHARE CAPITAL OF TPH

TPH is a conglomerate with over 160 subsidiaries across the world, and prior to the Acquisition, was wholly-owned by the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府国有资产监督管理委员会) through its wholly-owned subsidiaries, the Vendor and Tianjin Tsinlien Investment Holding Co., Ltd (天津津联投资控股有限公司). As at the Formal Offer Announcement Date, the shareholders of TPH are the Purchaser (67%) and the Vendor (33%).

As at the Formal Offer Announcement Date, TPH has an aggregate interest in 325,855,528 A Shares and 5,265,000 S Shares, representing approximately 42.8% of the total voting rights of the Company.

### 3. **REGISTERED OFFICE**

The registered office of TPH is at No. 109 Bawei Road, Hedong District, Tianjin, PRC.

### 4. **SUMMARY OF FINANCIAL INFORMATION**

Certain financial information of TPH as extracted from the FY2017 Audited Financial Statements, FY2018 Audited Financial Statements, FY2019 Audited Financial Statements and FY2020 Unaudited Financial Statements (collectively, the "**TPH Financial Statements**") is set out below. Such financial information should be read in conjunction with the TPH Financial Statements and the accompanying notes as set out therein. Copies of the TPH Financial Statements are available for inspection as mentioned in paragraph 4 of **Appendix V** to this Offer Document.

#### 4.1 **Selected Financial Information relating to Income Statements**

	<b>Financial year ended 31 December 2020 RMB'000 (Unaudited)</b>	<b>Financial year ended 31 December 2019 RMB'000 (Audited)</b>	<b>Financial year ended 31 December 2018 RMB'000 (Audited)</b>	<b>Financial year ended 31 December 2017 RMB'000 (Audited)</b>
Revenue	14,111,998	20,465,961	21,488,690	20,334,732
Exceptional Items	-	-	-	-
Net Profit Before Tax	775,142	1,583,279	1,139,817	1,066,839
Net Profit After Tax	610,202	1,357,262	725,052	887,936
Minority Interests	411,775	817,935	706,501	723,482
Net Earnings Per Share	0.11	0.28	0.15	0.18
Net Dividends Per Share	0	0	0	0

**4.2 Statement of Assets and Liabilities as at 31 December 2019 (Audited) and 31 December 2020 (Unaudited)**

The statement of financial position of TPH as at 31 December 2019 and 31 December 2020, as extracted from the FY2019 Audited Financial Statements and FY2020 Unaudited Financial Statements, is set out below.

	<b>FY2020 RMB'000 (Unaudited)</b>	<b>FY2019 RMB'000 (Audited)</b>
<b><u>ASSETS</u></b>		
<b><i>Non-current assets</i></b>		
<i>Long-term equity investment</i>	2,371,015	2,385,080
<i>Available-for-sale investment</i>	6,896,742	6,247,293
<i>Other investment</i>	157,508	382,121
<i>Investment property</i>	21,551	25,464
<i>Property, plant and equipment</i>	5,001,221	5,746,327
<i>Construction in progress</i>	1,213,090	827,925
<i>Intangible assets</i>	753,269	777,745
<i>Capitalised development costs</i>	471,883	163,562
<i>Goodwill</i>	66,558	66,641
<i>Long-term amortization</i>	59,479	55,393
<i>Deferred tax assets</i>	456,296	461,670
<i>Other non-current assets</i>	473,871	417,053
<i>Long-term receivables</i>	-	100,000
<b>Total non-current assets</b>	<b>17,942,484</b>	<b>17,656,274</b>
<b><i>Current assets</i></b>		
<i>Cash and cash equivalents</i>	3,898,797	2,907,606
<i>Financial Instruments</i>	10,085	43,525
<i>Trade and bills receivables</i>	4,515,350	4,243,687
<i>Prepayments</i>	192,492	293,565
<i>Other receivables</i>	4,774,279	1,475,733
<i>Inventories</i>	3,248,380	4,442,039
<i>Assets held for sale</i>	8,915	8,915
<i>Other current assets</i>	890,340	618,131
<b>Total current assets</b>	<b>17,538,639</b>	<b>14,033,201</b>
<b>TOTAL ASSETS</b>	<b>35,481,122</b>	<b>31,689,476</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><i>Capital and reserves</i></b>		
<i>Share capital</i>	5,492,950	4,844,236
<i>Capital reserve</i>	1,215,395	-
<i>Other reserves</i>	951,258	995,958
<i>Retained earnings</i>	440,599	882,370
<i>Equity attributable to owners of the company</i>	8,100,201	6,722,564
<i>Equity attributable to minority interest</i>	6,860,620	6,656,550
<b>TOTAL EQUITY</b>	<b>14,960,821</b>	<b>13,379,113</b>
<b><i>Current liabilities</i></b>		

<i>Bank loan</i>	11,967,508	9,044,726
<i>Other payables</i>	1,526,254	2,103,280
<i>Tax payable</i>	78,249	189,206
<i>Payable to employees</i>	150,007	200,279
<i>Trade and bills payable</i>	2,979,628	2,767,253
<i>Receivables in advance</i>	158,935	184,526
<i>Contract liabilities</i>	257,138	364,300
<i>Other current liabilities</i>	67,725	942,823
<i>Total current liabilities</i>	17,185,444	15,796,393
<b>Non-current liabilities</b>		
<i>Bank loan</i>	685,000	-
<i>Bonds payable</i>	2,000,000	2,000,000
<i>Lease liability</i>	1,734	2,710
<i>Long-term payables</i>	361,382	224,434
<i>Payable to employees</i>	42,562	42,562
<i>Accruals</i>	929	3,278
<i>Deferred income</i>	206,295	187,758
<i>Deferred tax liability</i>	36,956	53,227
<i>Total non-current liabilities</i>	3,334,857	2,513,969
<b>TOTAL LIABILITIES</b>	<b>20,520,301</b>	<b>18,310,362</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>35,481,122</b>	<b>31,689,476</b>

## 5. **MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Formal Offer Announcement Date, save as a result of the making and/or financing of the Acquisition and the Chain Offers and/or as disclosed in this Offer Document, there have been no known material changes in the financial position of TPH since 31 December 2019, being the date of the last published audited accounts of TPH.

## 6. **SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies of TPH are set out in pages 15 to 45 of the FY2019 Audited Financial Statements, a copy of which is available for inspection as mentioned in paragraph 4 of **Appendix V** to this Offer Document.

## 7. **CHANGES IN ACCOUNTING POLICIES**

There has been no change in the accounting policies of TPH since 31 December 2019, being the date of the last published audited accounts of TPH, which will cause the figures set out in paragraph 4 of this **Appendix III** not to be comparable to a material extent.



## APPENDIX IV – ADDITIONAL INFORMATION ON THE COMPANY

### 1. DIRECTORS OF THE COMPANY

Based on publicly available information, the names, addresses and descriptions of the directors of the Company as at the Formal Offer Announcement Date are as follows:

<b>Name</b>	<b>Address</b>	<b>Description</b>
Li Liqun	17 Baidi Road, Nankai District, Tianjin, PRC	Chairman
Wang Mai	17 Baidi Road, Nankai District, Tianjin, PRC	Executive Director
Zhuo Hong	17 Baidi Road, Nankai District, Tianjin, PRC	Executive Director
Li Yan	17 Baidi Road, Nankai District, Tianjin, PRC	Executive Director
Tang Tiejun	17 Baidi Road, Nankai District, Tianjin, PRC	Non-Executive Director
Zhang Ping	17 Baidi Road, Nankai District, Tianjin, PRC	Non-Executive Director
Qiang Zhiyuan	17 Baidi Road, Nankai District, Tianjin, PRC	Lead Independent and Non-Executive Director
Wong Gang	17 Baidi Road, Nankai District, Tianjin, PRC	Independent and Non-Executive Director
Liew Yoke Pheng Joseph	17 Baidi Road, Nankai District, Tianjin, PRC	Independent and Non-Executive Director

### 2. SHARE CAPITAL

As at the Formal Offer Announcement Date, based on publicly available information, the issued and paid-up share capital of the Company comprises 200,000,000 S Shares representing 25.85% of the total number of Shares and 573,643,076 A Shares representing 74.15% of the total number of Shares. Out of these 573,643,076 A Shares, 7,775,000 A Shares are restricted and cannot be traded on the market for a restricted period.

There is no restriction in the articles of association of the Company on the right to transfer any Shares which has the effect of requiring the Shareholders, before transferring them, to first offer them for purchase to other Shareholders or to any other person.

**3. REGISTERED OFFICE**

The registered office of the Company is at 17 Baidi Road, Nankai District, Tianjin, PRC.

**4. MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Formal Offer Announcement Date, save as disclosed in this Offer Document and save for information on the Company which is publicly available, there has not been, within the knowledge of the Offeror, the Purchaser and/or TPH, any material change in the financial position or prospects of the Company since 31 December 2019, being the date of the last audited consolidated financial statements of the Company laid before the Shareholders in a general meeting.

## APPENDIX V – ADDITIONAL GENERAL INFORMATION

### 1. DISCLOSURE OF INTERESTS

- (a) As at the Formal Offer Announcement Date, based on the latest information available to the Offeror, save as disclosed below, none of the Offeror or any party acting in concert with it owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options and derivatives in respect of the Shares or securities that carry voting rights in the Company (collectively, the "**Company Securities**").

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
TPH	325,855,528	42.12	5,265,000	0.68	331,120,528	42.8
Offeror	5,265,000	0.68	325,855,528	42.12	331,120,528	42.8
Purchaser <sup>(2)</sup>	-	-	331,120,528	42.8	331,120,528	42.8
Shanghai Liuliguang Medical Development Co., Ltd <sup>(3)</sup>	-	-	331,120,528	42.8	331,120,528	42.8
SIIC Shanghai (Holdings) Co., Ltd <sup>(4)</sup>	-	-	331,120,528	42.8	331,120,528	42.8
Shanghai State-owned Assets Supervision and Administration Commission <sup>(5)</sup>	-	-	331,120,528	42.8	331,120,528	42.8
Shenzhen Qianhai Furong Asset Management Co., Ltd <sup>(6)</sup>	-	-	331,120,528	42.8	331,120,528	42.8
Shenzhen Yierde Investment Co., Ltd <sup>(7)</sup>	-	-	331,120,528	42.8	331,120,528	42.8
Guo Jingwen <sup>(8)</sup>	-	-	331,120,528	42.8	331,120,528	42.8

**Notes:**

- (1) The percentage shareholding interest is calculated based on the A Shares and S Shares in issue as at the Formal Offer Announcement Date. Percentages are rounded to the nearest two (2) decimal places.
  - (2) The Purchaser holds a 67% shareholding interest in TPH and is therefore deemed interested in the Shares held by TPH.
  - (3) Shanghai Liuliguang Medical Development Co., Ltd holds a 35% equity interest in the Purchaser, and is therefore deemed interested in the Shares in which the Purchaser is deemed to have an interest.
  - (4) SIIC Shanghai (Holdings) Co., Ltd holds a 51% equity interest in Shanghai Liuliguang Medical Development Co., Ltd, and is therefore deemed interested in the Shares in which the Purchaser is deemed to have an interest.
  - (5) The Shanghai State-owned Assets Supervision and Administration Commission holds 100% of the equity interests in SIIC Shanghai (Holdings) Co., Ltd, and is therefore deemed interested in the Shares in which the Purchaser is deemed to have an interest.
  - (6) Shenzhen Qianhai Furong Asset Management Co., Ltd has a 34% equity interest in the Purchaser, and is therefore deemed interested in the Shares in which the Purchaser is deemed to have an interest.
  - (7) Shenzhen Yierde Investment Co., Ltd holds 100% of the equity interest in Shenzhen Qianhai Furong Asset Management Co., Ltd, and is therefore deemed interested in the Shares in which the Purchaser is deemed to have an interest.
  - (8) Guo Jingwen holds 80% of the equity interest in Shenzhen Yierde Investment Co., Ltd, and is therefore deemed interested in the Shares in which the Purchaser is deemed to have an interest.
- (b) As at the Formal Offer Announcement Date, based on the latest information available to the Offeror, none of the Offeror or any party acting in concert with it has dealt for value in the Company Securities during the period commencing six (6) months prior to the Possible Offer Announcement Date and ending on the Formal Offer Announcement Date.
- (c) As at the Formal Offer Announcement Date, none of the Offeror, TPH, the Purchaser or any party acting in concert with them has received any irrevocable undertaking from any other party to accept the Chain Offers.
- (d) As at the Formal Offer Announcement Date, none of the Offeror or any party acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.
- (e) As at the Formal Offer Announcement Date, based on the latest information available to the Offeror, none of the Offeror or any party acting in concert with it has (i) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise; (ii) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold); or (iii) lent any Company Securities to another person.
- (f) As at the Formal Offer Announcement Date, there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with the Offeror; and (ii) any of the current or recent directors of the Company, or any of the current or recent Shareholders that has any connection with or dependence upon the Chain Offers.

- (g) As at the Formal Offer Announcement Date, there is no agreement, arrangement or understanding whereby any of the Shares acquired by the Offeror or the Purchaser pursuant to the Chain Offers will be transferred to any other person.
- (h) As at the Formal Offer Announcement Date, there is no agreement, arrangement or understanding between (i) the Offeror and/or the Purchaser; and (ii) any of the directors of the Company or any other person in connection with or conditional upon the outcome of the Chain Offers or otherwise connected with the Chain Offers.
- (i) As at the Formal Offer Announcement Date, there is no agreement, arrangement or understanding for payment or other benefit being made or given to any director of the Company or any of its related corporations (as defined in the Companies Act), as compensation for loss of office or as consideration for, or in connection with, his retirement from office or otherwise in connection with the Chain Offers.
- (j) Additional disclosures of interest:
  - (i) The directors, supervisors and senior management (or main persons in charge) of the Purchaser and their respective immediate family members do not own any Shares, and have not sold or purchased any Shares during the six (6) months immediately preceding 21 December 2020.
  - (ii) The Purchaser does not have any arrangement with any person regarding voting proxy for or withdrawal of Shares.

## **2. GENERAL**

### **2.1 Consent**

Each of the Joint Singapore Financial Advisers has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and letter and all references thereto in the form and context in which they respectively appear.

### **2.2 Costs and Expenses**

All costs and expenses of or incidental to the Chain Offers including the preparation and circulation of this Offer Document and/or the FAA (other than professional fees and other costs relating to the Chain Offers incurred or to be incurred by the Company) and stamp duty and transfer fees resulting from acceptances of the Chain Offers will be paid by the Offeror.

### 3. **MARKET QUOTATIONS**

#### 3.1 **S Shares**

The closing price of the S Shares on the SGX-ST, as reported by Bloomberg L.P., on (a) 25 March 2021<sup>3</sup> (being the Latest Practicable Trading Date in respect of the S Shares) was USD0.900, and (b) 17 December 2020 (being the last market day on which S Shares were traded on the SGX-ST immediately preceding the Possible Offer Announcement Date<sup>4</sup>) was USD1.090. The last closing prices of the S Shares on the SGX-ST on a monthly basis from June 2020 (being the six (6) calendar months preceding the Possible Offer Announcement Date) to the Latest Practicable Trading Date, as reported by Bloomberg L.P., are set out below:

<b>Date</b>	<b>Last Closing Price (USD)</b>
June 2020	0.855 as at 30 June 2020
July 2020	0.885 as at 30 July 2020
August 2020	0.845 as at 31 August 2020
September 2020	0.795 as at 30 September 2020
October 2020	0.800 as at 30 October 2020
November 2020	0.860 as at 30 November 2020
December 2020	0.880 as at 31 December 2020
January 2021	0.870 as at 29 January 2021
February 2021	0.865 as at 26 February 2021
1 March 2021 to Latest Practicable Trading Date	0.900 as at Latest Practicable Trading Date

During the period commencing six (6) months preceding the Possible Offer Announcement Date and up to the Latest Practicable Trading Date (being 21 June 2020 to 25 March 2021 (both dates inclusive)):

- (a) the highest closing price of the S Shares on the SGX-ST, as reported by Bloomberg L.P., was USD1.090, which was transacted on 17 December 2020; and

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<sup>3</sup> A request for trading halt on the S Shares was issued at 7:48 a.m. on 26 March 2021 pending the completion of the Acquisition and the issue of the Formal Offer Announcement and this Offer Document.

<sup>4</sup> A request for trading halt on the S Shares was issued at 4:35 p.m. on 17 December 2020. Trading in the S Shares resumed at 8:30 a.m. on 21 December 2020.

- (b) the lowest closing price of the S Shares on the SGX-ST, as reported by Bloomberg L.P., was USD0.750, which was transacted on 25 September 2020 and 28 September 2020.

### 3.2 A Shares

The closing price of the A Shares on the SSE, as reported by Bloomberg L.P., on (a) 26 March 2021 (being the Latest Practicable Trading Date) was RMB21.75, and (b) 18 December 2020 (being the last full market day on which A Shares were traded on the SSE immediately preceding the Possible Offer Announcement Date) was RMB18.69. The last closing prices of the A Shares on the SSE on a monthly basis from June 2020 (being the six (6) calendar months preceding the Possible Offer Announcement Date) to the Latest Practicable Trading Date, as reported by Bloomberg L.P., are set out below:

<b>Date</b>	<b>Last Closing Price (RMB)</b>
June 2020	17.32 as at 30 June 2020
July 2020	19.10 as at 31 July 2020
August 2020	18.11 as at 31 August 2020
September 2020	16.30 as at 30 September 2020
October 2020	16.00 as at 30 October 2020
November 2020	15.95 as at 30 November 2020
December 2020	17.52 as at 31 December 2020
January 2021	17.18 as at 29 January 2021
February 2021	17.47 as at 26 February 2021
1 March 2021 to Latest Practicable Trading Date	21.75 as at Latest Practicable Trading Date

During the period commencing six (6) months preceding the Possible Offer Announcement Date and up to the Latest Practicable Trading Date (being 21 June 2020 to 26 March 2021 (both dates inclusive)):

- (a) the highest closing price of the A Shares on the SSE, as reported by Bloomberg L.P., was RMB21.75, which was transacted on 25 and 26 March 2021; and
- (b) the lowest closing price of the A Shares on the SSE, as reported by Bloomberg L.P., was RMB15.81, which was transacted on 2 November 2020.

#### 4. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Offeror at 9 Temasek Boulevard, #38-02, Suntec Tower Two, Singapore (038989) or the registered office of the Company at No. 17 Baidi Road, Nankai District, Tianjin, PRC (Telephone No.: 022-27020892 and Fax No.: 022-27020926) during normal business hours<sup>5</sup>, while the Chain Offers remain open for acceptances:

- (a) the constitution of the Offeror;
- (b) the Possible Offer Announcement and the Formal Offer Announcement;
- (c) the Offeror Financial Statements;
- (d) the annual reports / financial statements of TPH for FY2017, FY2018, FY2019 and FY2020;
- (e) the annual reports / financial statements of the Purchaser for FY2020;
- (f) the letters of consent from the Joint Singapore Financial Advisers referred to in paragraph 2.1 of this **Appendix V**;
- (g) business licence of the Purchaser;
- (h) agreement and explanation by the Purchaser regarding the source of funds for the A Shares Chain Offer;
- (i) bank letter of guarantee issued by SPDB and performance guarantee issued by China Securities Depository and Clearing Corporation Limited Shanghai branch;
- (j) list of names, identification documents and securities accounts of the directors, supervisors and senior management (or main persons in charge) of the Purchaser;
- (k) relevant decisions made by the Purchaser regarding the A Shares Chain Offer;
- (l) list of directors, supervisors and senior management (or main persons in charge) of the Purchaser and their immediate family members, Shares held or sold and bought by the aforesaid persons, and the relevant evidence in respect of the holdings and trades of those Shares, during the six (6) months immediately preceding 21 December 2020;
- (m) list of professional and related persons engaged by the Purchaser, and Shares held or sold and bought by the aforesaid persons during the six (6) months immediately preceding 21 December 2020;

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<sup>5</sup> Prior appointment is required in light of the COVID-19 situation.



- (n) statement / table of ownership and sale and purchase of Shares by relevant parties issued by the China Securities Depository and Clearing Corporation Limited Shanghai branch;
- (o) the SPA dated 19 December 2020 between the Purchaser and the Vendor in relation to the acquisition of a stake of 67% in TPH;
- (p) explanation from the Purchaser regarding the non-existence of situations prescribed under Article 6 of the PRC Acquisition Rules and compliance with Article 50 of the PRC Acquisition Rules;
- (q) explanation from the Purchaser regarding the absence of a controlling shareholder and actual controller;
- (r) financial advisor report issued by Changjiang Financing Services Co., Limited regarding the A Shares Chain Offer;
- (s) legal opinion issued by Grandall Law Firm regarding the A Shares Chain Offer; and
- (t) timetable for the progress of the Acquisition.

## APPENDIX VI – DETAILS OF THE CHAIN OFFERS

### 1. DURATION OF THE OFFER

#### 1.1 Closing Date

Except insofar as the S Shares Chain Offer may be withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, Rule 22.3 of the Code requires the S Shares Chain Offer to be open for acceptances by S Shares Shareholders for a period of at least 28 days from the date of posting of this Offer Document.

**Accordingly, the S Shares Chain Offer will close at 5:30 p.m. (Singapore time) on 29 April 2021. Notice is hereby given that the Offeror will not extend the S Shares Chain Offer beyond 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date and the S Shares Chain Offer will not be open for acceptances beyond 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date, save that such notice shall not be capable of being enforced in a competitive situation.**

#### 1.2 Final Day Rule

Pursuant to Rule 22.9 of the Code, the S Shares Chain Offer (whether revised or not) will not be capable of becoming or being declared to be unconditional as to acceptances after 5:30 p.m. (Singapore time) on the 60<sup>th</sup> day after the date of despatch of this Offer Document or of being kept open after the expiry of such period, unless it has previously become or been declared to be unconditional as to acceptances, except with the permission of the SIC. The SIC will consider granting such permission in circumstances including but not limited to, where a competing offer has been announced.

#### 1.3 Revision

Pursuant to Rule 20.1 of the Code, the S Shares Chain Offer, if revised, will remain open for acceptance for a period of at least 14 days from the date of despatch of the written notification of the revision to S Shares Shareholders. In any case, where the terms are revised, the benefit of the S Shares Chain Offer (as so revised) will be made available to each of the S Shares Shareholders, including those who had previously accepted the S Shares Chain Offer.

### 2. SETTLEMENT

#### 2.1 S Shares Chain Offer

Subject to the S Shares Chain Offer becoming or being declared to be unconditional in all respects in accordance with its terms and to the receipt by the Offeror of valid acceptances, complete in all respects and in accordance with the instructions given in this Offer Document and the FAA and/or the terms and conditions for Electronic Acceptance (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of S Offer Shares are standing to the credit of the "Free Balance" of the depositor's Securities Account at the relevant time(s), payment of the S Shares Offer Price will be made:

- (a) in respect of acceptances of the S Shares Chain Offer which are complete and valid in all respects and are received **on or before** the date on which the S Shares Chain Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (b) in respect of acceptances of the S Shares Chain Offer which are complete and valid in all respects and are received **after** the S Shares Chain Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but on or before the S Shares Chain Offer Closing Date, within seven (7) Business Days of the date of such receipt.

Please refer to **Appendix VII** for more details on the settlement of the S Shares Chain Offer.

## 2.2 A Shares Chain Offer

Please refer to **Appendix VIII** for details on the settlement of the pre-accepted A Offer Shares.

## 3. ANNOUNCEMENTS

- (a) Pursuant to Rule 28.1 of the Code, by 8:00 a.m. (Singapore time) on the dealing day (the "**Relevant Day**") immediately after the day on which the S Shares Chain Offer and/or the A Shares Chain Offer is due to expire, or becomes or is declared unconditional as to acceptances (if applicable) or is revised or extended (if applicable), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):
  - (i) in respect of which valid acceptances of the S Shares Chain Offer and/or the A Shares Chain Offer (as the case may be) have been received;
  - (ii) held by the Offeror and any party acting in concert with the Offeror before the S Shares Chain Offer Period; and
  - (iii) acquired or agreed to be acquired by the Offeror and any party acting in concert with it during the S Shares Chain Offer Period or the A Shares Chain Offer Period (as the case may be),

and will specify the percentages of the issued share capital of the Company represented by such numbers.

- (b) Under Note 5 on Rule 28.1 of the Code, purchases made through the SGX-ST by the Offeror and parties acting in concert with the Offeror with no pre-agreement or collusion between the parties to such transactions or their agents, may be counted towards satisfying the acceptance condition. All other purchases by the Offeror and parties acting in concert with the Offeror (i.e. off market purchases) may only be counted when fully completed and settled.

- (c) Under Rule 28.2 of the Code, if the Offeror is unable, within the time limit, to comply with paragraph 3(a) above, the SIC will consider requesting the SGX-ST to suspend dealings in the S Shares until the relevant information is given.
- (d) In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by the Joint Singapore Financial Advisers or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone or facsimile or through SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.
- (e) In computing the number of Offer Shares represented by acceptances, the Offeror will at the time of making an announcement, take into account acceptances which are valid in all respects. Acceptances will only be treated as valid for the purposes of the Minimum Acceptance Condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

#### **4. RIGHT OF WITHDRAWAL**

##### **4.1 S Shares Chain Offer**

- (a) Except as expressly provided in this Offer Document and the Code, acceptances of the S Shares Chain Offer shall be irrevocable.
- (b) If the S Shares Chain Offer has become or been declared to be unconditional as to acceptances, but the Offeror fails to comply with any of the requirements of Rule 28.1 of the Code by 3:30 p.m. (Singapore time) on the Relevant Day, then immediately thereafter, any S Shares Shareholder holding S Offer Shares which are deposited with CDP and accepting the S Shares Chain Offer will be entitled to withdraw his acceptance by written notice to Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd., c/o The Central Depository (Pte) Limited, 11 North Buona Vista Drive, #01-19/20, The Metropolis Tower 2, Singapore 138589. Such notice of withdrawal shall be effective only when actually received by the Offeror.
- (c) Subject to Rule 22.9 of the Code, this right of withdrawal may be terminated not less than eight (8) days after the Relevant Day by the Offeror confirming (if that be the case) that the S Shares Chain Offer is still unconditional and complying with Rule 28.1 of the Code. For the purpose of the 14-day period referred to in Rule 22.6 of the Code, such period will run from the date of such confirmation (if given), or the date on which the S Shares Chain Offer would otherwise have expired, whichever is later.
- (d) An S Shares Shareholder who accepts the S Shares Chain Offer will be entitled to withdraw his acceptance after 14 days from the first closing date of the S Shares Chain Offer, if the S Shares Chain Offer has not by then become unconditional as to acceptances. Such entitlement to withdraw will be exercisable until the S Shares Chain Offer becomes or is declared to be unconditional as to acceptances.

- (e) In a competitive situation, if one offer becomes unconditional as to acceptances, then S Shares Shareholders who have tendered their acceptances for the other offer (the "**Unsuccessful Offer**") can, if they wish, immediately withdraw their acceptances for the Unsuccessful Offer.

## 4.2 A Shares Chain Offer

- (a) Withdrawal of pre-acceptance

If any A Shares Shareholder intends to withdraw its pre-acceptance of the A Shares Chain Offer, it must, during the trading hours of SSE on any trading day during the A Shares Chain Offer Period, submit an application via its securities company to withdraw its pre-acceptance. The securities company will submit the application via the trading system of SSE. The application details should include: securities code, broker seat number, securities account number, contract serial number, number of A Shares to withdraw pre-acceptance, and acquisition code. The A Shares Shareholder may withdraw the withdrawal application on the same day of the withdrawal application.

- (b) Public announcement of withdrawal of pre-acceptance

During the A Shares Chain Offer Period, Shareholders may check the number of withdrawals of pre-acceptances of the A Shares Chain Offer up to the end of the immediately preceding trading day on the website of the SSE (<https://www.sse.com.cn>).

- (c) Confirmation of withdrawal of pre-acceptance

The withdrawal of pre-acceptance will be effective on the next trading day after being confirmed by China Securities Depository and Clearing Corporation Limited Shanghai branch. The China Securities Depository and Clearing Corporation Limited Shanghai branch will discharge the custody arrangement of the A Shares which are the subject of the withdrawal of pre-acceptance.

Up to three (3) trading days before the expiry of the A Shares Chain Offer Period, the A Shares Shareholders may withdraw their pre-acceptances through a securities company. The securities custody and clearance institution will discharge the interim custody of the pre-accepted A Shares based on the withdrawal application. The pre-accepted A Shares Shareholders cannot withdraw its acceptance of the A Shares Chain Offer for the last three (3) trading days before the expiry of the A Shares Chain Offer Period.

- (d) In the case of competing offers, an A Shares Shareholder who pre-accepted the previous A Shares Chain Offer must withdraw its pre-acceptance before pre-accepting a new offer.
- (e) If the pre-accepted A Offer Shares are frozen, pledged or otherwise encumbered during the A Shares Chain Offer Period, the securities company will withdraw the pre-

acceptance via the trading system of SSE before assisting with the freezing or encumbering of the A Offer Shares.

## APPENDIX VII – PROCEDURES FOR ACCEPTANCE OF THE S SHARES CHAIN OFFER

### 1. PROCEDURES FOR ACCEPTANCE OF THE S SHARES CHAIN OFFER BY DEPOSITORS WHOSE SECURITIES ACCOUNTS ARE AND/OR WILL BE CREDITED WITH OFFER SHARES

#### 1.1 Depositors whose Securities Accounts are credited with Offer Shares

If you have S Offer Shares standing to the credit of the "Free Balance" of your Securities Account, you should receive a notification letter (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), together with an FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are an S Shares Shareholder, from CDP by contacting CDP Customer Services at +65 6535 7511 during their operating hours or emailing CDP at [asksgx@sgx.com](mailto:asksgx@sgx.com) for details. Electronic copies of the FAA may also be obtained on the website of the SGX-ST at (<http://www.sgx.com>).

#### Acceptance

If you wish to accept the S Shares Chain Offer in respect of all or any of your S Offer Shares, you should:

(a) complete the FAA in accordance with this Offer Document and the instructions printed on the FAA. In particular, you must state in **Part A** of the FAA or the relevant section in the electronic form of the FAA, the number of S Offer Shares in respect of which you wish to accept.

(i) If you:

(A) do not specify such number; or

(B) specify a number which exceeds the number of S Offer Shares standing to the credit of the "Free Balance" of your Securities Account on the date of receipt of the FAA by CDP ("**Date of Receipt**") or, in the case where the Date of Receipt is on the S Shares Chain Offer Closing Date, by 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date (provided always that the Date of Receipt falls on or before the S Shares Chain Offer Closing Date),

you shall be deemed to have accepted the S Shares Chain Offer in respect of all the S Offer Shares standing to the credit of the "Free Balance" of your Securities Account on the Date of Receipt or 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date (if the FAA is received by CDP on the S Shares Chain Offer Closing Date) (provided always that the Date of Receipt falls on or before the S Shares Chain Offer Closing Date); and

(ii) If at the time of verification by CDP of the FAA on the Date of Receipt, if paragraph 1.1(a)(i)(B) above applies and there are outstanding settlement

instructions with CDP to receive further Offer Shares into the "Free Balance" of your Securities Account (the "**Unsettled Buy Position**"), and the Unsettled Buy Position settles such that the S Offer Shares in the Unsettled Buy Position are transferred to the "Free Balance" of your Securities Account at any time during the period the S Shares Chain Offer is open, up to 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date (the "**Settled Shares**"), you shall be deemed to have accepted the S Shares Chain Offer in respect of the balance number of S Offer Shares inserted in **Part A** of the FAA or the relevant section of the electronic form of the FAA which have not yet been accepted pursuant to paragraph 1.1(a)(i)(B) above, or the number of Settled Shares, whichever is less;

- (b) if you are submitting the FAA in physical form, sign the FAA in accordance with this **Appendix VII** and the instructions printed on the FAA; and
- (c) submit the completed and signed FAA in its entirety (no part may be detached or otherwise mutilated):
  - (i) **by post**, in the enclosed pre-addressed envelope at your own risk, to **Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd., c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**; or
  - (ii) **in electronic form**, via SGX-ST's Investor Portal at ([investors.sgx.com](http://investors.sgx.com)),

**in each case so as to arrive not later than 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date.** If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address.

If you have sold or transferred all your S Offer Shares, you need not forward this Offer Document and/or the FAA to the purchaser or the transferee as CDP will arrange for a notification letter (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) and FAA to be sent to the purchaser or the transferee.

If you are a depository agent, you may accept the S Shares Chain Offer via Electronic Acceptance. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf and such Electronic Acceptances must be submitted **not later than 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date.** Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Offer Document as if the FAA had been completed and delivered to CDP.

## **1.2 Depositors whose Securities Accounts will be credited with Offer Shares**

If you have purchased S Offer Shares on the SGX-ST and such S Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also



receive a notification letter (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), together with an FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you have purchased the Offer Shares on the SGX-ST, from CDP by contacting CDP Customer Services at +65 6535 7511 during their operating hours or emailing CDP at [asksgx@sgx.com](mailto:asksgx@sgx.com) for details. Electronic copies of the FAA may also be obtained on the website of the SGX-ST at (<http://www.sgx.com>).

### **Acceptance**

If you wish to accept the S Shares Chain Offers in respect of such S Offer Shares, you should, after the "Free Balance" of your Securities Account has been credited with such number of S Offer Shares:

- (a) complete and sign the FAA in accordance with this **Appendix VII** and the instructions printed on the FAA; and
- (b) submit the completed and signed FAA:
  - (i) **by post**, in the enclosed pre-addressed envelope at your own risk, to **Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd., c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**; or
  - (ii) **in electronic form**, via SGX-ST's Investor Portal at ([investors.sgx.com](http://investors.sgx.com)),

**in each case so as to arrive not later than 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date.** If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above addresses.

### **1.3 Depositors whose Securities Accounts are and will be credited with S Offer Shares**

If you have S Offer Shares credited to your Securities Account, and have also purchased additional S Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the S Shares Chain Offer in respect of the S Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the S Shares Chain Offer in respect of such additional S Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of S Offer Shares.

### **1.4 Rejection**

If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such S Offer Shares have not been or will not be, credited to the "Free Balance" of your Securities Account (as, for example, where you sell or have sold such S Offer Shares), your acceptance is liable

to be rejected. None of the Offeror, the Joint Singapore Financial Advisers and CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

If you purchase S Offer Shares on the SGX-ST on a date close to the S Shares Chain Offer Closing Date, your acceptance in respect of such S Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such S Offer Shares by the Date of Receipt or by 5:30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date (if the FAA is received by CDP on the S Shares Chain Offer Closing Date), unless paragraph 1.1(a)(i)(B) read together with paragraph 1.1(a)(ii) of this **Appendix VII** apply. If the Unsettled Buy Position does not settle by 5.30 p.m. (Singapore time) on the S Shares Chain Offer Closing Date, your acceptance in respect of such S Offer Shares will be rejected. None of the Offeror, the Joint Singapore Financial Advisers and CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

### **1.5 FAAs received on Saturday, Sunday and public holidays**

For the avoidance of doubt, FAAs received by CDP on a Saturday, Sunday or public holiday will only be processed and validated on the next Business Day.

### **1.6 General**

No acknowledgement will be given by CDP for submissions of FAAs. All communications, notices, documents and payments will be sent by ordinary post at your own risk to your mailing address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of S Offer Shares in your Securities Account. You can verify the number of S Offer Shares in your Securities Account: (a) through CDP Online if you have registered for the CDP Internet Access Service; or (b) through the CDP Phone Service using SMS OTP, under the option "To check your securities balance".

### **1.7 Blocked Balance**

Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the S Offer Shares in respect of which you have accepted the S Shares Chain Offer from the "Free Balance" of your Securities Account to the "Blocked Balance" of your Securities Account. Such S Offer Shares will be held in the "Blocked Balance" until the consideration for such S Offer Shares has been despatched to you.

### **1.8 Broker-linked Balance**

If you hold S Offer Shares in a "Broker-linked Balance" and you wish to accept the S Shares Chain Offer in respect of such S Offer Shares, you must take the relevant steps to transfer such S Offer Shares out of the "Broker-linked Balance" to the "Free Balance" of your Securities Account. The FAA may not be used to accept the S Shares Chain Offer in respect of S Offer Shares in a "Broker-linked Balance".

## 1.9 Notification

If you have accepted the S Shares Chain Offer in accordance with the provisions contained in this **Appendix VII** and the FAA, and the S Shares Chain Offer becomes or is declared to be unconditional in all respects in accordance with its terms, upon the Offeror's despatch of consideration for the S Offer Shares in respect of which you have accepted the S Shares Chain Offer, CDP will send you a notification letter stating the number of S Offer Shares debited from your Securities Account together with payment of the Offer Prices which will be credited directly into your designated bank account for Singapore Dollars via CDP's Direct Crediting Service<sup>6</sup> on the payment date as soon as practicable and in any event:

- (a) in respect of acceptances of the S Shares Chain Offer which are complete and valid in all respects and are received **on or before** the date on which the S Shares Chain Offer becomes or is declared unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (b) in respect of acceptances of the S Shares Chain Offer which are complete and valid in all respects and are received **after** the S Shares Chain Offer becomes or is declared unconditional in all respects in accordance with its terms, but before the S Shares Chain Offer Closing Date, within seven (7) Business Days of the date of such receipt.

In the event you are not subscribed to CDP's Direct Crediting Service, any monies to be paid shall be credited to your Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein).

## 1.10 Return of S Offer Shares

In the event that the S Shares Chain Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, CDP will return the aggregate number of S Offer Shares in respect of which you have accepted the S Shares Chain Offer and tendered for acceptance under the S Shares Chain Offer to the "Free Balance" of your Securities Account as soon as possible but, in any event, within 14 days from the withdrawal or lapse of the S Shares Chain Offer.

## 1.11 No Securities Account

If you do not have an existing Securities Account in your own name at the time of acceptance the S Shares Chain Offer, your acceptance as contained in the FAA will be rejected.

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<sup>6</sup> The exchange rates used are sourced and provided by CDP's partner bank (HSBC), which are competitively priced.

## **2. OTHER RELEVANT INFORMATION IN RESPECT OF THE PROCEDURES FOR ACCEPTANCE**

### **2.1 Discretion**

If you wish to accept the S Shares Chain Offer, it is your responsibility to ensure that the FAA is properly completed in all respects, submitted with original signature(s) and all required documents are provided. The Offeror, the Joint Singapore Financial Advisers and/or CDP will be entitled, at their sole and absolute discretion, to reject or treat as valid any acceptance which does not comply with the provisions and instructions contained herein and in the FAA or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect.

**ANY DECISION TO REJECT OR TREAT AS VALID ANY ACCEPTANCE WILL BE FINAL AND BINDING, AND NONE OF THE OFFEROR, THE JOINT SINGAPORE FINANCIAL ADVISERS OR CDP ACCEPTS ANY RESPONSIBILITY OR LIABILITY FOR SUCH A DECISION, INCLUDING THE CONSEQUENCES OF SUCH A DECISION.**

### **2.2 Evidence of Title**

Submission of the duly completed and signed original of the FAA through CDP and/or, as the case may be, the Offeror or the Joint Singapore Financial Advisers, shall be conclusive evidence in favour of the Offeror, the Joint Singapore Financial Advisers and CDP of the right and title of the persons signing it to deal with the same and with the S Offer Shares to which it relates.

### **2.3 Loss in Transmission**

The Offeror, the Joint Singapore Financial Advisers and CDP, as the case may be, shall not be liable for any loss in transmission of the FAA.

### **2.4 Acceptances Irrevocable**

Your completion, execution and submission of the FAA shall constitute your irrevocable acceptance of the S Shares Chain Offer, upon the terms and subject to the conditions contained in this Offer Document and the FAA. Except as expressly provided in this Offer Document and the Code, the acceptance of the S Shares Chain Offer made by you using the FAA shall be irrevocable and any instructions or subsequent FAA(s) received by CDP after the FAA, as the case may be, has been received shall be disregarded.

### **2.5 Personal Data Privacy**

By completing and delivering an FAA, you (a) consent to the collection, use and disclosure of your personal data by the Offeror, the Joint Singapore Financial Advisers, CDP, the Company and the SGX-ST (collectively, the "**Relevant Persons**") or any person designated by the Relevant Persons in connection with the purpose of facilitating your acceptance of the S Shares Chain Offer, and in order for the Relevant Persons or such designated person to comply with any applicable laws, listing rules, regulations and/or guidelines, (b) warrant that where you

disclose the personal data of another person, such disclosure is in compliance with applicable laws, and (c) agree that you will indemnify the Relevant Persons or such designated person in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of such warranty.

## APPENDIX VIII – PROCEDURES FOR ACCEPTANCE OF THE A SHARES CHAIN OFFER

1. Application code: 706073
2. Application price: RMB17.43 per A Share

### 3. **APPLICATION LIMIT ON NUMBER OF A SHARES**

The maximum permitted number of A Offer Shares which may be applied for pre-acceptance by any A Shares Shareholder are the A Shares owned by such A Shares Shareholder which are not subject to any pledge, freezing order or other encumbrance. Any application above the maximum permitted number of A Offer Shares is null and invalid. Any A Shares being subject to any pledge, freezing order or other encumbrance are not entitled to pre-acceptance.

### 4. **APPLICATION FOR PRE-ACCEPTANCE**

If any A Shares Shareholder intends to pre-accept the A Shares Chain Offer, it must, during the trading hours of SSE on any trading day during the A Shares Chain Offer Period, submit an application via the trading system of SSE. The application details should include: securities code, broker seat number, securities account number, contract serial number, pre-accepted number of A Offer Shares and application code. The A Shares Shareholders may submit the application for pre-acceptance during the A Shares Chain Offer Period (including the period where the trading of A Shares is suspended). The A Shares Shareholder may withdraw the application on the same day of application.

### 5. **SALE OF PRE-ACCEPTED A OFFER SHARES**

The A Offer Shares which are the subject of the pre-acceptance of A Shares Chain Offer may still be sold on the date of application for pre-acceptance. In the case of partial sale, the unsold A Shares are still subject to the pre-acceptance. To avoid a short sell, the sale of A Offer Shares which are the subject of the pre-acceptance should be avoided if possible. Shares which are the subject of a sale order should not be the subject of a pre-acceptance application. If an A Shares Shareholder pre-accepts the A Shares Chain Offer in respect of a certain number of A Shares and on the same day carries out and reports an off-market transaction in respect of the same A Shares, such transactions will be dealt with in the following priority: pledge, pre-acceptance, transfer of custodian.

### 6. **CONFIRMATION OF PRE-ACCEPTANCE**

The pre-acceptance of the A Shares Chain Offer or withdrawal thereof will be effective on the next trading day after being confirmed by the China Securities Depository and Clearing Corporation Limited Shanghai branch. The China Securities Depository and Clearing Corporation Limited Shanghai branch will act as custodian of the pre-accepted A Offer Shares on an interim basis. The confirmed pre-accepted A Offer Shares cannot be sold, pledged or transferred to another custodian.

7. In the case of change of the A Shares Chain Offer during the A Shares Chain Offer Period, the original pre-acceptance will no longer be valid. The China Securities Depository and Clearing

Corporation Limited Shanghai branch will automatically discharge the custody. If an A Shares Shareholder wants to pre-accept the revised A Shares Chain Offer, it must re-submit a new application.

8. In the case of competing offers, an A Shares Shareholder who pre-accepted the previous A Shares Chain Offer must withdraw its pre-acceptance before pre-accepting a new offer.
9. If the pre-accepted A Offer Shares are frozen, pledged or otherwise encumbered during the A Shares Chain Offer Period, the securities company will withdraw the pre-acceptance via the trading system of the SSE before assisting with the freezing or encumbering of the A Offer Shares.

**10. PUBLIC ANNOUNCEMENT OF PRE-ACCEPTANCE**

During the A Shares Chain Offer Period, Shareholders may check the number of pre-acceptances of the A Shares Chain Offer up to the end of the immediately preceding trading day on the website of the SSE (<https://www.sse.com.cn>).

**11. FRACTIONAL SHARES**

Fractional A Shares (less than one (1) lot) acquired by the Purchaser from the A Shares Shareholders who have pre-accepted the A Shares Chain Offer will be dealt with in accordance with applicable rules regarding fractional shares as promulgated by China Securities Depository and Clearing Corporation Limited Shanghai branch.

**12. FUND TRANSFER FOR A SHARES CHAIN OFFER**

Upon expiry of the A Shares Chain Offer Period, the Purchaser will deposit sufficient acquisition funds (including taxes and fees payable) into the settlement account designated by China Securities Depository and Clearing Corporation Limited Shanghai branch for its further transfer into a settlement account for acquisition of A Shares.

**13. TRANSFER OF A SHARES**

Upon expiry of the A Shares Chain Offer Period, the Purchaser will apply to the legal department of the SSE for confirmation of share transfer with supporting documents. The legal department of the SSE will complete the confirmation of the pre-accepted A Shares. The Purchaser will complete the share transfer registration at China Securities Depository and Clearing Corporation Limited Shanghai branch based on the share transfer confirmation issued by the SSE.

**14. PUBLIC ANNOUNCEMENT OF A SHARES CHAIN OFFER**

Upon completion of the share transfer and settlement of acquisition funds, the Purchaser will publicly announce the results of the A Shares Chain Offer.

15. **NAME AND CONTACT DETAILS OF THE SECURITIES COMPANY WHICH IS ACTING AS AGENT FOR THE COMPANY FOR THE PURPOSE OF PRE-ACCEPTANCE, WITHDRAWAL, SETTLEMENT AND TRANSFER OF A OFFER SHARES REGARDING THE A SHARES CHAIN OFFER**

The A Shares Shareholders who have pre-accepted the A Shares Chain Offer will handle the pre-acceptance, withdrawal, settlement and transfer of A Offer Shares via their securities company/broker.



## APPENDIX IX – ADDITIONAL INFORMATION ON THE ACQUISITION AND THE A SHARES CHAIN OFFER

### 1. INFORMATION ON THE ACQUISITION

#### 1.1 **Timeline**

- (a) On 29 September 2020, the Vendor publicly listed its 67% shares in TPH on the Tianjin Property Rights Exchange for sale in connection with a proposed mixed ownership reform of TPH;
- (b) On 21 October 2020, the Purchaser held a board meeting and approved the Purchaser's participation in the bidding of the 67% shares of TPH as listed on the Tianjin Property Rights Exchange by the Vendor as an interested transferee;
- (c) On 21 October 2020, the Purchaser held a general meeting to approve the Purchaser's participation in the bidding of the 67% shares of TPH as listed on the Tianjin Property Rights Exchange by the Vendor as an interested transferee;
- (d) On 19 December 2020, the Purchaser held a board meeting and approved the Purchaser to acquire, in accordance with the PRC Acquisition Rules, all the A Shares without selling restrictions (other than those shares owned by TPH), via a general offer after the successful bidding of the 67% shares of TPH;
- (e) On 19 December 2020, the Purchaser held a general meeting and approved the Purchaser to acquire, in accordance with the PRC Acquisition Rules, all the A Shares other than (i) A Shares with selling restrictions; and (ii) A Shares owned by TPH via a general offer after the successful bidding of the 67% shares of TPH;
- (f) On 9 December 2020 and 19 December 2020, TPH passed board resolutions to approve the S Shares Chain Offer;
- (g) On 19 December 2020, the Offeror passed board resolutions to approve the S Shares Chain Offer;
- (h) On 19 December 2020, the Purchaser signed the SPA to acquire the 67% shares of TPH;
- (i) On 22 December 2020, TPH updated that the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府国有资产监督管理委员会) approved the acquisition of 67% of the shares in TPH by the Purchaser via Approval Regarding Indirect Transfer of Listed Shares Resulting From Restructuring of TPH (津国资产权[2020] 47号), which expressly approved the indirect transfer of state owned listed shares resulting from the restructuring of TPH;
- (j) On 29 January 2021, the Purchaser obtained anti-trust clearance from the Anti-trust Board of State Administration for Market Regulation regarding concentration of undertakings for the acquisition of 67% of the shares in TPH; and

- (k) On 26 March 2021, the corporate registration for the acquisition of 67% of the shares in TPH by the Purchaser was completed.

## 1.2 Regulatory Approvals

- (a) The acquisition of 67% of the shares in TPH by the Purchaser via an agreement has been approved by the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府国有资产监督管理委员会) on 22 December 2020 via Approval Regarding Indirect Transfer of Listed Shares Resulting From Restructuring of TPH (津国资产权[2020] 47 号), which expressly approved the indirect transfer of state owned listed shares resulting from the restructuring of TPH.
- (b) The A Shares Chain Offer has been approved by Anti-trust Board of State Administration for Market Regulation regarding anti-trust clearance for concentration of undertakings.

## 2. ADDITIONAL INFORMATION ON THE A SHARES CHAIN OFFER

### 2.1 Additional Information on the A Offer Shares

As at the Formal Offer Announcement Date, the A Shares without selling restrictions (other than those owned by the parties acting in concert with the Purchaser) are as follows:

Share type	Offer price (RMB/share)	Proposed number of A Shares to be acquired	As a percentage of Shares issued by the Company
A Shares without selling restrictions	17.43	240,012,548	31.02%

### 2.2 Additional Information on the A Shares Offer Price

According to the PRC Securities Law and the PRC Acquisition Rules, the offer price for the A Shares and its basis for calculation are as follows:

- (a) the highest price paid by the Purchaser for acquiring Shares during the six (6) months before the Possible Offer Announcement:

As a result of the mixed ownership reform by TPH, the Vendor publicly listed its 67% shares in TPH on the Tianjin Property Rights Exchange. Based on the listing results, the Purchaser is confirmed to be the purchaser of the aforesaid shares. The Purchaser and the Vendor signed the SPA on 19 December 2020. Based on the transaction consideration for the TPH shares, the value of the A Shares is fixed at RMB15.39 per A Share according to the valuation of the A Shares as owned by TPH. Therefore, the

price paid by the Purchaser is RMB15.39 per A Share for indirect acquisition of A Shares; and

- (b) the weighted average mathematical transaction prices of the A Shares during the 30 trading days before the Possible Offer Announcement:

During the 30 trading days before the Possible Offer Announcement, the weighted average mathematical transaction prices of the A Shares is RMB16.69 per A Share.

After a holistic assessment and taking into account the SIC Ruling in relation to Note 3 on Rule 14.3 and Note 1 on Rule 18 of the Code, the Purchaser fixed the A Shares Offer Price to be RMB17.43 per A Share. Further details on the computation of the A Shares Offer Price are set out in paragraph 2 of this Offer Document.

### **2.3 Impact on the Independence of the Company**

After completion of the A Shares Chain Offer, the Company will maintain its independence regarding its assets, human resources, finance, organisation and business.

- (a) Asset independence

After completion of the A Shares Chain Offer, the Company will maintain complete and independent ownership of all its assets, which are independent from the assets of the Purchaser. The Company operates independently without mixing with the Purchaser and there is no ambiguous title to assets. There are no funds or assets of the Company being utilised by the Purchaser.

- (b) Human resource independence

After completion of the A Shares Chain Offer, the Company will maintain its independent and complete employment and human resource management system, which is independent from that of the Purchaser. The recommendation of directors, supervisors and general manager as well as other senior management by the Purchaser will be in line with applicable laws and regulations as well as the articles of association of the Company, and the Purchaser will not intervene in the appointment and removal of directors, supervisors and senior management of the Company outside of the general meetings and board meetings of the Company.

- (c) Financial independence

After completion of the A Shares Chain Offer, the Company will maintain its independent accounting and finance department and separate accounting and booking system as well as financial management system. The Company will maintain its independent bank accounts without mixing with the Purchaser. The Company pays taxes and makes financial decisions independently. The Purchaser will not intervene in the fund utilisation by the Company. The financial and accounting employees of the Company do not work part time for the Purchaser.

(d) Independence of corporate governance

The Company will continue to maintain its complete and healthy corporate governance with full and independent general meetings, board meetings, independent directors, supervisory board meetings and senior management who will exercise their rights in accordance with applicable laws and regulations and articles of association of the Company.

(e) Independence of business

The Company has its own independent operation and management system with independent assets, employees, sites, brands for business operation purpose. It has the capability to explore the market independently as a going concern. Save for the exercising of shareholder rights in accordance with applicable laws, the Purchaser will not intervene with the normal operation of the Company.