

TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED
(Formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited)
(Company Registration No.91120000103100784F)
(Incorporated in the People's Republic of China)

RESOLUTIONS PASSED AT THE 1ST BOARD MEETING FOR FY2023

The board of directors (the “Board”) and every individual director of Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited (formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited) (the “Company”) hereby confirm that they will individually and collectively accept full responsibility for the accuracy of the information given in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated in this announcement are fair and accurate in all material respects as at the date of this announcement, and that there are no material facts the omission of which would make any statement in this announcement misleading.

The Company had, on 9 January 2023, duly convened its 1st Board meeting for the financial year ending 31 December 2023 (“**FY2023**”) by means of live meeting and telephone conference. The said meeting was convened in compliance with the applicable Companies Law, Securities Law and the Articles of Association of the Company, and the following resolutions were discussed and passed by the nine (9) directors out of the full board of nine (9) directors:

1. That, the proposed subscription of new shares of the Company’s controlled subsidiary (as determined in accordance with the laws of the People’s Republic of China (the “**PRC**”)), NewScen Coast Bio-Pharmaceutical Co., Ltd. (天津中新科炬生物制药股份有限公司) (“**NewScen Coast**”) and entry into a conditional subscription agreement (公司向控股子公司天津中新科炬生物制药股份有限公司增资暨签署附生效条件的《天津中新科炬生物制药股份有限公司定向发行股票认购协议》的议案) (the “**2nd Proposed Subscription**”), be approved.

Under the 2nd Proposed Subscription, the Company has agreed to subscribe for a total number of up to 6,600,000 new shares in NewScen Coast (the “**2nd Tranche Subscription Shares**”) by way of a private placement, at an issue price of RMB8.00 per 2nd Tranche Subscription Share for an aggregate consideration of up to RMB52,800,000 in cash.

Since the Company and the Company’s controlling shareholder, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) (“**TPH**”) are regarded as persons acting in concert (as determined in accordance with the laws of the PRC), the three (3) directors of the Company, Mr. Guo Min, Ms. Zhang Mingrui and Ms. Mao Weiwen who are key management personnel in TPH are interested directors and have abstained from voting on this resolution No. 1.

2. That, the proposed adjustments to the composition of the respective Board committees, be approved.

Consequently, the composition of the respective Board committees will be as follows:

Audit Committee

Chairman : Mr. Liew Yoke Pheng Joseph

Members : Ms. Li Qing
Mr. Zhu Haifeng

Nomination Committee

Chairman : Ms. Li Qing

Members : Mr. Zhu Haifeng
Mr. Guo Min

Remuneration Committee

Chairman : Mr. Zhu Haifeng

Members : Mr. Liew Yoke Pheng Joseph
Ms. Mao Weiwen

Strategy Committee

Chairman : Ms. Zhang Mingrui

Members : Mr. Guo Min
Ms. Wang Lei
Mr. Zhu Haifeng

3. That, the proposed contents of the “3rd adjustment to the repurchase price of the Restricted A-Shares granted under the 2019 Restricted A-Share Incentive Scheme and the 4th repurchase and cancellation of some of the Restricted A-Shares granted but not yet released from the lock-up requirements” (关于第三次调整公司 2019 年 A 股限制性股票激励计划回购价格并第四次回购注销已获授但尚未解除限售的限制性股票的议案), be approved.

The Board refers to the Company’s circular dated 15 November 2019 (the “**Circular**”) to the shareholders of the Company (the “**Shareholders**”) in relation to, amongst others, the proposed adoption of the 2019 Restricted A-Share Incentive Scheme (the “**Scheme**”). Unless otherwise defined, all capitalised terms used under this resolution No. 3 shall bear the same meanings ascribed to them in the Circular.

(i) Given that the Company has failed to meet the performance targets for releasing the Restricted A-Shares granted under the Scheme from the lock-up requirements for the first and second Release Period, the Company proposes to repurchase and cancel an aggregate of 2,673,000 Restricted A-Shares granted but not yet released from the lock-up requirements under the Scheme due to the said reason, and (ii) given that fourteen (14) of the Participants who have been granted the Restricted A-Shares are no longer eligible to participate in the Scheme (the “**Fourteen Participants**”), of which ten (10) are due to retirement and four (4) are due to their resignation from the Company because of job changes, the Company proposes to repurchase and cancel all of the 520,000 Restricted A-Shares granted to the Fourteen Participants but not yet released from the lock-up requirements under the Scheme (collectively, the “**4th Proposed Repurchase**”).

The Company also proposes to adjust the repurchase price of the Restricted A-Shares granted under the Initial Grant and the Grant of Reserved Restricted A-Shares to RMB6.10 per Restricted A-Share and RMB8.09 per Restricted A-Share respectively, taking into account the Company’s completion of the dividend distribution for the financial year ended 31 December 2021, in accordance with the relevant provisions of the “2019 Restricted A-Share Incentive Scheme” (2019 年 A 股限制性股票计划) and the “Assessment Management Measures for Implementation of the 2019 Restricted A-Share Incentive Scheme” (2019 年 A 股限制性股票激励计划实施考核管理办法).

The aggregate of 3,193,000 Restricted A-Shares to be repurchased and cancelled under the 4th Proposed Repurchase represents 0.41% of the total share capital of the Company as at the date of this announcement. Under the 4th Proposed Repurchase, the repurchase price of the Restricted A-Shares granted under the Initial Grant and the Grant of Reserved Restricted A-Shares shall be RMB6.10 per Restricted A-Share and RMB8.09 per Restricted A-Share respectively, plus the applicable interests as calculated at the benchmark interest rate for deposits during the same period when repurchasing.

Upon completion of the 4th Proposed Repurchase, the total number of shares in the capital of the Company will be reduced from 773,443,076 shares to 770,250,076 shares, and the registered capital of the Company will also be reduced from RMB773,443,076 to RMB770,250,076. The Company shall perform the corresponding capital reduction procedures pursuant to the applicable laws upon completion of the 4th Proposed Repurchase. The 4th Proposed Repurchase will not affect the implementation of the Scheme.

Mr. Wang Mai and Mr. Zhou Hong who each is a Participant of the Scheme, being interested directors, have abstained from voting on this resolution No. 3.

Please refer to the separate announcement dated 9 January 2023 made by the Company in relation to the 4th Proposed Repurchase for further details.

4. That, the proposed contents of the “Amendments to the Articles of Association of the Company and application for changes in the industrial and commercial registration” (关于修订《公司章程》并办理工商变更的议案) be approved.

The Board is of the view that the proposed amendments to the Articles of Association of the Company in relation to, *inter alia*, the registered capital of the Company which are made following the 4th Proposed Repurchase comply with the relevant laws, regulations, rules and normative documents including the *Company Law of the People’s Republic of China* (《中华人民共和国公司法》), and resolved that this matter shall be submitted for Shareholders’ approval at a general meeting of the Company.

Mr. Wang Mai and Mr. Zhou Hong who each is a Participant of the Scheme, being interested directors, have abstained from voting on this resolution No. 4.

Please refer to the separate announcement dated 9 January 2023 made by the Company in relation to the amendments to the Articles of Association of the Company and application for changes in the industrial and commercial registration for further details.

The above resolution No. 4 shall be tabled for Shareholders’ approval at a general meeting of the Company to be convened in due course.

By Order of the Board

Jiao Yan
Secretary to the Board of Directors
10 January 2023