

**TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED**

(Company Registration No. 91120000103100784F)

(Incorporated in People's Republic of China)

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**AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY AND  
APPLICATION FOR CHANGES IN THE INDUSTRIAL AND COMMERCIAL REGISTRATION**

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

The Board refers to:

- (1) the announcement dated 16 October 2019 made by the Company in relation to the resolutions passed at the 7<sup>th</sup> Board meeting for the financial year ended 31 December 2019 (“**FY2019**”) (the “**7<sup>th</sup> Board Meeting Announcement**”);
- (2) the announcement dated 16 October 2019 made by the Company in relation to the resolutions passed at the 6<sup>th</sup> supervisory committee (the “**Supervisory Committee**”) meeting for FY2019 (the “**6<sup>th</sup> Supervisory Committee Meeting Announcement**”);
- (3) the 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**”);
- (4) the announcement dated 25 November 2019 made by the Company in relation to the explanatory statement of the Supervisory Committee on the verification of the list of participants (the “**List of Participants**”) who have been proposed to participate in the Scheme and on the verification of the internal publication in respect of the List of Participants by the Company (the “**Explanatory Statement Announcement**”);
- (5) the corrigendum announcement dated 27 November 2019 made by the Company (the “**Corrigendum Announcement**”);
- (6) the announcement dated 2 December 2019 made by the Company in relation to the poll results of the extraordinary general meeting held on 2 December 2019 (the “**EGM Results Announcement**”);
- (7) the announcement dated 2 December 2019 made by the Company in relation to the self-examination report on the trading in the shares of the Company by the insiders in relation to the Scheme (the “**Self-examination Report Announcement**”);
- (8) the announcement dated 9 December 2019 made by the Company in relation to the resolutions passed at the 10<sup>th</sup> Board meeting for FY2019 (the “**10<sup>th</sup> Board Meeting Announcement**”);

- (9) the announcement dated 9 December 2019 made by the Company in relation to the resolutions passed at the 9<sup>th</sup> Supervisory Committee meeting for FY2019 (the “**9<sup>th</sup> Supervisory Committee Meeting Announcement**”);
- (10) the announcement dated 9 December 2019 made by the Company in relation to the proposed adjustments to the List of Participants proposed to participate in the Initial Grant (the “**Adjusted Participants**”) and the number of Initial Granted Restricted A-Shares (the “**Adjusted Initial Granted Restricted A-Shares**”) under the Scheme (the “**Adjustments Announcement**”);
- (11) the announcement dated 9 December 2019 made by the Company in relation to the proposed grant of the Adjusted Initial Granted Restricted A-Shares to the Adjusted Participants under the Scheme (the “**Initial Grant Announcement**”);
- (12) the announcement dated 9 December 2019 made by the Company in relation to the list of the Adjusted Participants proposed to participate in the Initial Grant under the Scheme (the “**List of the Adjusted Participants Announcement**”);
- (13) the announcement dated 8 January 2020 made by the Company in relation to the results of the Initial Grant under the Scheme (the “**Grant Results Announcement**”);
- (14) the announcement dated 17 February 2020 made by the Company in relation to the resolutions passed at the 2<sup>nd</sup> Board meeting for the financial year ending 31 December 2020 (“**FY2020**”) (the “**2020 2<sup>nd</sup> Board Meeting Announcement**”);
- (15) the announcement dated 17 February 2020 made by the Company in relation to the resolutions passed at the 1<sup>st</sup> Supervisory Committee meeting for FY2020 (the “**2020 1<sup>st</sup> Supervisory Committee Meeting Announcement**”); and
- (16) the announcement dated 17 February 2020 made by the Company in relation to the repurchase and cancellation of the Restricted A-Shares granted under the Scheme (the “**Repurchase Announcement**”).

Electronic copies of each of the aforementioned announcements and the Circular are available on the website of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) at <https://www2.sgx.com/>.

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the Circular and the 10<sup>th</sup> Board Meeting Announcement.*

On 17 February 2020, the Company duly convened its 2<sup>nd</sup> Board meeting for FY2020, and the Board considered and approved the proposed repurchase and cancellation of some of the Restricted A-Shares granted but not yet released from the lock-up requirements under the Scheme as well as the proposed amendments to the Articles of Association of the Company and application for changes in the industrial and commercial registration. Further details are as set out below.

The Company completed the procedures for the registration of Restricted A-Shares granted under the Initial Grant on 7 January 2020, and had received a “Certificate of Change of Securities Registration” (证券变更登记证明) issued by the China Securities Depository and Clearing Co., Ltd. Shanghai Branch. Accordingly, the total number of shares in the capital of the Company increased from 768,873,076 to 772,803,076, and the registered capital of the Company increased from RMB 768,873,076 to RMB 772,803,076.

In accordance with the relevant provisions in 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 Company duly convened its 2<sup>nd</sup> Board meeting and 1<sup>st</sup> Supervisory Committee meeting for FY2020 on 17 February 2020, and the Board and the Supervisory Committee considered and approved the proposed repurchase and cancellation of the Restricted A-Shares granted but not yet released from the lock-up requirements under the Scheme (the “**Proposed Repurchase**”). The 70,000 Restricted A-Shares to be repurchased and cancelled under the Proposed Repurchase represents 0.009% of the total share capital of the Company.

Upon completion of the Proposed Repurchase, the total number of shares in the capital of the Company will be reduced from 772,803,076 to 772,733,076, and the registered capital of the Company will also be reduced from RMB 772,803,076 to RMB 772,733,076. The Company shall perform the corresponding capital reduction procedures pursuant to the laws upon completion of the Proposed Repurchase. The Proposed Repurchase will not affect the implementation of the Scheme. Pursuant to the relevant provisions of the relevant laws, regulations and normative documents including the *Company Law of the People’s Republic of China* (《中华人民共和国公司法》), the *Securities Law of the People’s Republic of China* (《中华人民共和国证券法》) and the *Rules Governing the Listing of Securities on the Shanghai Stock Exchange* (《上海证券交易所股票上市规则》), the Board shall make the relevant amendments to the Articles of Association of the Company accordingly. The relevant provisions of the amended Articles of Association are set out below.

#### **1. Proposed amendment to Article 19**

The original Article 19 is set out below:

*“Shareholders of the Company approved a proposed bonus issue (the “Bonus Issue”) of an aggregate 369,654,360 new ordinary shares in the capital of the Company by way of capitalisation of the Company’s share premium, on 14 May 2010. Details of the Bonus Issue are as follows: ‘Based on the audited financial report of the company for the financial year ended 31 December 2009 (prepared in accordance with the PRC accounting standards) audited by RSM China Certified Public Accountants, the Company’s share premium is RMB783,780,650. On the basis of an aggregate 369,654,360 shares in the capital of the Company as at 20 April 2010, the Company decides to offer 10-for-10 Bonus Issue, through which RMB369,654,360 of the Company’s share premium will be capitalised into the Company’s registered capital, and RMB576,081,016 will be remained in the share premium account of the Company’. Upon completion of the Bonus Issue, the Company has an issued share capital in aggregate of 739,308,720 shares, comprising 269,654,360 ordinary shares issued by the Company under the companies law promulgated by the PRC to natural and legal persons in the PRC, and which are denominated in renminbi, which represent 72.95% of the total registered and paid-up capital of the Company, and 100,000,000 ordinary shares issued by the Company to natural and legal persons in countries other than PRC, which represents 27.05% of the total registered and paid-up capital of the Company.*

*The proposed placement of A-Shares was approved in the Extraordinary General Meeting of the Company on 18 August 2014. The placement of 29,564,356 A-shares has been registered with China Securities Depository and Clearing (Shanghai) Corporation Limited on 10 July 2015. After the completion of the placement as mentioned above, the temporary capital structure of the Company is that there are 768,873,076 ordinary shares, 568,873,076 ordinary shares of which are held by the A-shares holders, accounting for 73.99% of the total number of ordinary shares issued by the Company, and there are 200,000,000 ordinary shares which are held by S-shares holders, accounting for 26.01% of the total number of ordinary shares issued by the Company.”*

The revised Article 19 is set out below (with amendments in bold):

“Shareholders of the Company approved a proposed bonus issue (the “Bonus Issue”) of an aggregate 369,654,360 new ordinary shares in the capital of the Company by way of capitalisation of the Company’s share premium, on 14 May 2010. Details of the Bonus Issue are as follows: ‘Based on the audited financial report of the company for the financial year ended 31 December 2009 (prepared in accordance with the PRC accounting standards) audited by RSM China Certified Public Accountants, the Company’s share premium is RMB783,780,650. On the basis of an aggregate 369,654,360 shares in the capital of the Company as at 20 April 2010, the Company decides to offer 10-for-10 Bonus Issue, through which RMB369,654,360 of the Company’s share premium will be capitalised into the Company’s registered capital, and RMB576,081,016 will be remained in the share premium account of the Company’. Upon completion of the Bonus Issue, the Company has an issued share capital in aggregate of 739,308,720 shares, comprising 269,654,360 ordinary shares issued by the Company under the companies law promulgated by the PRC to natural and legal persons in the PRC, and which are denominated in renminbi, which represent 72.95% of the total registered and paid-up capital of the Company, and 100,000,000 ordinary shares issued by the Company to natural and legal persons in countries other than PRC, which represents 27.05% of the total registered and paid-up capital of the Company.

The proposed placement of A-Shares was approved in the Extraordinary General Meeting of the Company on 18 August 2014. The placement of 29,564,356 A-shares has been registered with China Securities Depository and Clearing (Shanghai) Corporation Limited on 10 July 2015. After the completion of the placement as mentioned above, the temporary capital structure of the Company is that there are 768,873,076 ordinary shares, 568,873,076 ordinary shares of which are held by the A-shares holders, accounting for 73.99% of the total number of ordinary shares issued by the Company, and there are 200,000,000 ordinary shares which are held by S-shares holders, accounting for 26.01% of the total number of ordinary shares issued by the Company.

**The 2<sup>nd</sup> extraordinary general meeting of the Company held on 2 December 2019 and the 10<sup>th</sup> Board meeting held on 9 December 2019 for the financial year ended 31 December 2019 considered and approved relevant proposals relating to the 2019 Restricted A-Share Incentive Scheme (the “Scheme”) respectively. The procedures for the registration of Restricted A-Shares under the Initial Grant were completed on 7 January 2020, and the registered capital of the Company increased to RMB 772,803,076 accordingly. The 2<sup>nd</sup> Board meeting held on 17 February 2020 for the financial year ending 31 December 2020 considered and approved the proposed repurchase and cancellation of Restricted A-Shares granted but not yet released from the lock-up requirements under the Scheme (the “Repurchase”). Upon completion of the Repurchase, the capital structure of the Company is as follows: there are 772,733,076 ordinary shares, of which, 572,733,076 ordinary shares are held by the A-shares holders, accounting for 74.12% of the total number of ordinary shares issued by the Company, and 200,000,000 ordinary shares are held by S-shares holders, accounting for 25.88% of the total number of ordinary shares issued by the Company.”**

## **2. Proposed amendment to Article 22**

The original Article 22 is set out below:

“The registered capital of the Company is RMB 768,873,076.”

The revised Article 22 is set out below (with amendments in bold):

“The registered capital of the Company is RMB ~~768,873,076~~ **772,733,076**.”

Save for the above amendments, other terms of the Articles of Association of the Company shall remain unchanged.

In accordance with the authorisation from Shareholders to the Board for matters in relation to the Scheme as approved at the 2<sup>nd</sup> extraordinary general meeting of the Company in 2019, the proposed amendments to the Articles of Association of the Company and application for changes in the industrial and commercial registration of the Company's registered capital shall not be subject to Shareholders' approval at the extraordinary general meeting of the Company.

**By order of the Board**

Jiao Yan  
Company Secretary  
17 February 2020