

**TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED**  
(Company Registration No.: 91120000103100784F)  
(Incorporated in the People's Republic of China)

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**MANDATORY CONDITIONAL CASH OFFER BY DBS BANK LTD. AND BANK OF CHINA LIMITED, SINGAPORE BRANCH FOR AND ON BEHALF OF TIANJIN PHARMACEUTICAL (SINGAPORE) INTERNATIONAL INVESTMENT PTE. LTD. (THE "OFFEROR") TO ACQUIRE ALL THE ISSUED AND PAID-UP S SHARES IN THE CAPITAL OF TIANJIN ZHONG XIN PHARMACEUTICAL GROUP CORPORATION LIMITED (THE "COMPANY"), OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY JINHUSHEN BIOLOGICAL MEDICAL SCIENCE AND TECHNOLOGY CO., LTD, THE OFFEROR AND TIANJIN PHARMACEUTICAL HOLDINGS CO., LTD. ("TPH")**

**MANDATORY UNCONDITIONAL CASH OFFER BY JINHUSHEN BIOLOGICAL MEDICAL SCIENCE AND TECHNOLOGY CO., LTD (THE "PURCHASER") TO ACQUIRE ALL THE ISSUED AND PAID-UP A SHARES IN THE CAPITAL OF THE COMPANY, OTHER THAN THOSE WITH SELLING RESTRICTIONS AND THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE PURCHASER, THE OFFEROR AND TPH**

— **RESPONSE TO FORMAL OFFER ANNOUNCEMENT AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISERS AND ELECTRONIC DESPATCH OF OFFER DOCUMENT**

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## **1. INTRODUCTION**

The Board of Directors ("**Board**") of Tianjin Zhong Xin Pharmaceutical Group Corporation Limited (the "**Company**") refers to:

- (a) the announcements dated 9 October 2018, 15 June 2020, 28 September 2020, 20 December 2020, 22 December 2020, 1 February 2021 and 26 March 2021 made by the Company in relation to a mixed-ownership reform proposed by the Company's controlling shareholder, Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("**TPH**") in order to effectively implement the general planning of the Tianjin Municipal Committee of the Communist Party of China, Tianjin Municipal People's Government and State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government on promoting the reform of state-owned enterprises;
- (b) the possible chain offers announcement dated 20 December 2020 (the "**Possible Chain Offers Announcement**") jointly made by DBS Bank Ltd. and Bank of China Limited, Singapore Branch (the "**Joint Singapore Financial Advisers**") for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the "**Offeror**") in relation to a possible mandatory conditional cash offer to acquire all the issued and paid-up shares in the capital of the Company (the "**Shares**") which are listed on the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**S Shares**"), other than those already owned, controlled or agreed to be acquired by Jinhushen Biological Medical Science and Technology Co., Ltd (津沪深生物医药科技有限公司) (the "**Purchaser**"), the Offeror and TPH (the "**S Shares Chain Offer**"), and a possible mandatory unconditional cash offer by the Purchaser to acquire all the Shares which are listed on the Shanghai Stock Exchange (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 Shares Chain Offer**", and collectively with the S Shares Chain Offer, the "**Chain Offers**");
- (c) the corresponding announcement made by the Company on 20 December 2020 in response to the Possible Chain Offers Announcement;

- (d) the announcement dated 30 December 2020 made by the Company in relation to the “no actual controller” statement;
- (e) the announcements dated 18 February 2021 and 19 March 2021 made by the Company in relation to update on the possible Chain Offers; and
- (f) the formal offer announcement dated 26 March 2021 (the “**Formal Offer Announcement**”) jointly made by the Joint Singapore Financial Advisers for and on behalf of the Offeror, in relation to the Chain Offers.

*Unless otherwise defined, all capitalised terms used and not defined herein shall bear the same meanings ascribed to them in the Formal Offer Announcement.*

## 2. THE CHAIN OFFERS

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) that, as stated in the Formal Offer Announcement, the Acquisition was completed on 26 March 2021. Accordingly, the Chain Offer Condition is satisfied and the Joint Singapore Financial Advisers had announced the Offeror’s firm intention to make the S Shares Chain Offer in accordance with Rule 14.1 of the Singapore Code on Take-overs and Mergers (the “**Code**”). The A Shares Chain Offer will be made by the Purchaser.

A copy of the Formal Offer Announcement is attached to this announcement (the “**Announcement**”) and is also available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

**Shareholders are advised to review, in conjunction with this Announcement, the Formal Offer Announcement in its entirety and carefully and in particular, for (i) the S Shares Offer Price and A Shares Offer Price, (ii) the S Shares Chain Offer terms, (iii) the A Shares Chain Offer terms, (iv) the rationale for the Chain Offers, (v) the Offeror’s and Purchaser’s intentions for the Company in respect of the listing status of the Company and (vi) the closing date and procedures for acceptance.**

## 3. ELECTRONIC DESPATCH OF OFFER DOCUMENT

As stated in the Formal Offer Announcement, the formal offer document containing, *inter alia*, the full terms and conditions of the Chain Offers issued by the Joint Singapore Financial Advisers, for and on behalf of the Offeror (the “**Offer Document**”), together with the accompanying Form of Acceptance and Authorisation for S Offer Shares (the “**FAA**”), have been electronically despatched to the holders of S Shares (including persons whose S Shares are deposited with The Central Depository (Pte) Limited or who have purchased S Shares on the SGX-ST) on 26 March 2021.

Shareholders should note that in line with the public statements issued by the Securities Industry Council of Singapore dated 6 May 2020 and 29 September 2020 on the despatch of take-over documents under the Code, no printed copies of the Offer Document will be despatched to the Shareholders. Instead, as stated in the Formal Offer Announcement, the 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 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 the Offer Document are available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com). and the SSE at <https://www.sse.com.sg>.

## 4. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISERS

The Board also wishes to inform the Shareholders that RHB Bank Berhad, through its Singapore branch (新加坡兴业银行) has been appointed as the independent financial adviser in accordance with the Code to advise the directors of the Company (the “**Directors**”) who are considered

independent for the purpose of making a recommendation to the Shareholders (the “**Non-Interested Directors**”) in relation to the S Shares Chain Offer (the “**IFA for S Shares Chain Offer**”), and Wanlian Securities Co., Ltd. (万联证券股份有限公司) has been appointed as the independent financial adviser in accordance with the Code and the *Administrative Measures on the Takeover of Listed Companies* (《上市公司收购管理办法》) to advise the Non-Interested Directors in relation to the A Shares Chain Offer (the “**IFA for A Shares Chain Offer**”, and collectively with the IFA for S Shares Chain Offer, the “**IFAs**”).

## 5. OFFEREE CIRCULAR

A circular (the “**Offeree Circular**”) containing, *inter alia*, the respective advice of the IFAs and the recommendations of the Non-Interested Directors in relation to the Chain Offers will be sent to Shareholders within 14 days from the date of despatch of the Offer Document, in accordance with Rule 22.2 of the Code.

**In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, until they or their advisers have considered the information and the recommendations of the Non-Interested Directors as well as the respective advice of the IFAs, which will be set out in the Offeree Circular. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## 6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Chain Offers, the Offeror, the Purchaser, and parties acting in concert or deemed to be acting in concert with the Offeror and/or the Purchaser) are fair and accurate, and there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading, and they jointly and severally accept full responsibility accordingly.

Where any information in this Announcement has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Possible Chain Offers Announcement, the Formal Offer Announcement and any other announcements made by or on behalf of the Offeror and/or the Purchaser), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

### By Order of the Board

Jiao Yan  
Secretary to the Board of Directors  
26 March 2021

## MANDATORY CONDITIONAL CASH OFFER

By



**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 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

### FORMAL OFFER ANNOUNCEMENT AND ELECTRONIC DESPATCH OF OFFER DOCUMENT

#### 1. INTRODUCTION

On 20 December 2020 (the "**Possible Offer Announcement Date**"), DBS Bank Ltd. and Bank of China Limited, Singapore Branch (collectively, the "**Joint Singapore Financial Advisers**") for and on behalf of Tianjin Pharmaceutical (Singapore) International Investment Pte. Ltd. (the "**Offeror**") announced that Jinhushen Biological Medical Science and Technology Co., Ltd (天津沪深生物医药科技有限公司) (the "**Purchaser**") had entered into a sale and purchase agreement (the "**SPA**") on 19 December 2020 with Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海国有资产经营管理有限公司) (the "**Vendor**") in relation to the acquisition (the "**Acquisition**") of a stake of 67% in Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("**TPH**") (the "**Possible Offer Announcement**"). A copy of the Possible Offer Announcement is available on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") at (<http://www.sgx.com>) and the website of the Shanghai Stock Exchange (the "**SSE**") at (<https://www.sse.com.cn>).

Capitalised terms not defined in this announcement (this "**Announcement**") shall have the

respective meanings given to them in the Possible Offer Announcement.

Further to the Possible Offer Announcement, the Offeror wishes to announce that the Acquisition was completed today (the "**Formal Offer Announcement Date**"). Accordingly, the Chain Offer Condition is satisfied and the Joint Singapore Financial Advisers wish to announce the Offeror's firm intention to make the S Shares Chain Offer in accordance with Rule 14.1 of the Code.

The A Shares Chain Offer will be made by the Purchaser for the Shares which are listed on the SSE, 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**").

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

2.1 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.

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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.

## 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.

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 further wish to announce, for and on behalf of the Offeror that **the S Shares Offer Price is hereby 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 the Shenzhen branch of the Shanghai Pudong Development Bank Co., Ltd. ("**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 this Announcement by 15 April 2021.

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

**Holders of A Shares ("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. S SHARES CHAIN OFFER TERMS**

Subject to the terms and conditions set out in the formal offer document to be issued by the Joint Singapore Financial Advisers, for and on behalf of the Offeror (the "**Offer Document**"), the Offeror will make the S Shares Chain Offer on the following basis:

- (a) 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 Announcement.



(b) No Encumbrances

The S Offer Shares will be acquired:

- (i) fully paid;
- (ii) free from all liens, equities, mortgages, claims, charges, assignments, hypothecations, pledges, encumbrances, rights of pre-emption and other third-party rights and interests of any nature whatsoever ("**Encumbrances**"); and
- (iii) 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).

(c) Minimum Acceptance Condition

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. 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.

#### 4. A SHARES CHAIN OFFER TERMS

Subject to the terms and conditions set out in the Offer Document, the Purchaser will make the A Shares Chain Offer on the following basis:

(a) Consideration

**For each A Offer Share: RMB17.43 in cash (the "A Shares Offer Price")**

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

(b) No Encumbrances

The A Offer Shares will be acquired:

- (i) fully paid;
- (ii) free from all Encumbrances; and
- (iii) 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).

(c) Unconditional Offer

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

#### 5. FURTHER INFORMATION

Further information on the Chain Offers will be set out in the Offer Document.

#### 6. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

##### 6.1 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:

- (a) the Offeror has an issued and paid-up share capital of USD5,000,000 comprising 5,000,000 issued and paid-up ordinary shares; and
- (b) the directors of the Offeror are Wang Jiaying and Wu Wing Yeu Michael.

## 6.2 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).

## 6.3 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 (罗譞);
  - (vii) Lu Zefeng (陆泽峰);
  - (viii) Yu Kexiang (于克祥); and
  - (ix) Yu Yang (于洋).

## 7. INFORMATION ON THE COMPANY

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

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 at the Formal Offer Announcement Date is as follows:

Shares	Number of Shares	Percentage (%) <sup>2</sup>
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>

## 8. RATIONALE FOR THE CHAIN OFFERS

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.

<sup>2</sup> All percentage figures shown in the table are rounded to the nearest two (2) decimal places. Any discrepancies in the figures included herein between the listed amounts and the totals or subtotals thereof are due to rounding. Accordingly, figures shown as totals or subtotals may not be an arithmetic aggregation of the figures that precede them.

## 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 of the SGX-ST (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 floating 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 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 OFFER DOCUMENT

The Joint Singapore Financial Advisers also wish to announce, for and on behalf of the Offeror, that the Offer Document, which contains, *inter alia*, the full terms and conditions of the Chain Offers, together with the accompanying Form of Acceptance and Authorisation for S Offer Shares (the "**FAA**"), have been electronically despatched to the holders of S Shares (including

persons whose S Shares are deposited with The Central Depository (Pte) Limited ("**CDP**") or who have purchased S Shares on the SGX-ST) ("**S Shares Shareholders**", collectively with the A Shares Shareholders, the "**Shareholders**") today.

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 the Offer Document will be despatched to the Shareholders.

Instead, the 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 the 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. CLOSING DATE AND PROCEDURES FOR ACCEPTANCE**

### **11.1 S Shares Chain Offer**

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 the 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 closing date of the S Shares Chain Offer and the S Shares Chain Offer will not be open for acceptances beyond 5:30 p.m. (Singapore time) on the closing date of the S Shares Chain Offer, save that such notice shall not be capable of being enforced in a competitive situation.**

Full details of procedures for acceptance of the S Shares Chain Offer are set out in Appendix VII to the Offer Document.

### **11.2 A Shares Chain Offer**

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.**

Full details of procedures for acceptance of the A Shares Chain Offer are set out in Appendix VIII to the Offer Document.

### 11.3 **Information Pertaining to SRS Investors**

Supplementary Retirement Scheme ("**SRS**") investors ("**SRS Investors**") should receive further information on how to accept the S Shares Chain Offer from their agent banks included under the SRS ("**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 closing date of the S Shares Chain Offer. 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.

## 12. **OVERSEAS SHAREHOLDERS**

The availability of the S Shares Chain Offer to 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) ("**Overseas Shareholders**", and each, an "**Overseas Shareholder**") 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 the Offer Document and the FAA have not been reviewed by any regulatory authority in any overseas jurisdiction. Where there are potential restrictions on sending the 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 the Offer Document and/or the FAA have not been, or may not be, mailed or otherwise forwarded, distributed or sent.

Copies of the 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.

### **13. CONFIRMATION OF FINANCIAL RESOURCES**

#### **13.1 S Shares Chain Offer**

Bank of China Limited, Singapore Branch, 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.

#### **13.2 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.

## 14. DISCLOSURE OF HOLDINGS IN COMPANY SECURITIES

### 14.1 Shareholdings

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.,	-	-	331,120,528	42.8	331,120,528	42.8

Ltd <sup>(7)</sup>						
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.

#### 14.2 Other Arrangements

As at the date of this Announcement, none of the Offeror or any party acting in concert with it has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Company Securities which might be material to the Chain Offers;
- (b) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (c) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (d) lent any Company Securities to another person.

#### 14.3 No Irrevocable Commitment

As at the date of this Announcement, none of the Offeror, TPH, the Purchaser or any party acting in concert with them has received any irrevocable commitment from any party to accept the Chain Offers.

## **15. DIRECTORS' RESPONSIBILITY STATEMENT**

### **15.1 The Offeror and TPH**

The directors of the Offeror and TPH (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (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 Announcement, the omission of which would make any statement in this Announcement 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 Announcement.

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

### **15.2 The Purchaser**

The directors of the Purchaser (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (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 Announcement, the omission of which would make any statement in this Announcement 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 Announcement.

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

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 inquiries relating to this Announcement or the Chain Offers should be directed during office hours to:

**DBS Bank Ltd.**  
**Strategic Advisory**

Tel: (65) 6682 8999

Forward-Looking Statements

*All statements other than statements of historical facts included in this Announcement 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.*