

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**国药集团**  
SINOPHARM

**CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED**

**中國中藥控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 570)**

**ANNOUNCEMENT**  
**PROPOSED CHANGE OF AUDITOR**

This announcement is made by China Traditional Chinese Medicine Holdings Co. Limited (the “**Company**”) pursuant to Rule 13.51(4) of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**PROPOSED CHANGE OF AUDITOR**

China National Pharmaceutical Group Co., Ltd. (“**CNPGC**”), the ultimate controlling shareholder of the Company, is a central state-owned enterprise regulated by the State-owned Assets Supervision and Administration Commission of the State Council of the People’s Republic of China (“**SASAC**”). Under the relevant requirements of the Ministry of Finance of the People’s Republic of China and SASAC, there are certain limits to the number of years for which an accounting firm may continuously undertake financial auditing work in respect of a central state-owned enterprise and its subsidiaries.

As the Company is a subsidiary of CNPGC and subject to the aforementioned requirements, accordingly, Deloitte Touche Tohmatsu (“**Deloitte**”) will not be re-appointed upon its retirement as the auditor of the Company at the forthcoming annual general meeting of the Company (the “**AGM**”) on 30 June 2021.

On the recommendation of the audit committee of the Company, the board of directors of the Company (the “**Board**”) has resolved to propose to appoint Ernst & Young as the Company’s auditor for the year ending 31 December 2021 following the retirement of Deloitte. This proposed appointment is subject to approval of the shareholders of the Company (the “**Shareholders**”) at the AGM.

Deloitte has confirmed in writing that there are no matters in relation to its retirement that need to be brought to the attention of holders of the securities or creditors of the Company. The Board has confirmed that there are no disagreements between the Company and Deloitte, and there are no other matters that need to be brought to the attention of the Shareholders in connection with the proposed change of auditor.

The Board would like to take this opportunity to express its sincere gratitude to Deloitte for its professional services provided to the Company for the past years.

## **GENERAL**

A circular containing, among other matters, the proposed change of auditor and a notice of the AGM together with the related proxy form will be dispatched to the Shareholders in a due course.

By order of the Board  
**China Traditional Chinese Medicine Holdings Co. Limited**  
**WU Xian**  
*Chairman*

Hong Kong, 24 May 2021

*As at the date of this announcement, the board of directors of the Company comprises twelve directors, of which Mr. WU Xian, Mr. WANG Xiaochun and Mr. YANG Wenming are executive directors; Mr. YANG Shanhua, Ms. LI Ru, Mr. YANG Binghua, Mr. WANG Kan and Mr. KUI Kaipin are non-executive directors; and Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong are independent non-executive directors.*