中国泰凌医药集团
CHINA NT PHARMA GROUP

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01011)

SUPPLEMENTAL ANNOUNCEMENT
UPDATE ON THE ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcement of China NT Pharma Group Company Limited (the "**Company**") dated 27 March 2020 in relation to the annual results for the year ended 31 December 2019 (the "**2019 Results Announcement**"). Unless otherwise defined, terms defined in the 2019 Results Announcement shall have the same meanings in this supplemental announcement.

AUDITOR'S AGREEMENT ON THE 2019 ANNUAL RESULTS

The Company hereby announces that on 14 April 2020, the Company has obtained the agreement from its auditor, Crowe (HK) CPA Limited, on the annual results for the year ended 31 December 2019 (the "**2019 Annual Results**") (including the financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto) prepared in accordance with the Hong Kong Financial Reporting Standards as set out in the 2019 Results Announcement. The 2019 Annual Results contained in the 2019 Results Announcement remain unchanged.

SCOPE OF WORK OF CROWE (HK) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2019 as set out in the 2019 Results Announcement have been agreed by Crowe (HK) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year as approved by the Board on 14 April 2020. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Crowe (HK) CPA Limited on the 2019 Results Announcement or this supplemental announcement.

The following sets forth an extract of the independent auditor's report to be issued on the Group's consolidated financial statements for the year ended 31 December 2019:

EXTRACT OF THE AUDITORS' REPORT TO BE ISSUED ON THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("**HKFRS**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance (Cap 622 of the laws of Hong Kong).

Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "**Code**") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

During the year ended 31 December 2019, the Group incurred a loss attributable to equity shareholders of the Company of RMB587,590,000 and, as at 31 December 2019, the Group's current liabilities exceeded its current assets by RMB1,316,173,000. The Group has been considering various measures to improve its liquidity position. These conditions, along with other matters as set forth in note 2(b) to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in this respect.

Extract of note 2(b) to the consolidated financial statements

Basis of preparation of the financial statements

During the year ended 31 December 2019, the Group incurred a loss attributable to the equity shareholders of RMB587,590,000 for the year ended 31 December 2019 and, as at 31 December 2019, the Group's current liabilities exceeded its current assets by RMB1,316,173,000. The consolidated financial statements have been prepared on the assumption that the Group will be able to operate as a going concern in the foreseeable future, after taking into consideration of (a) unused and available credit facilities of approximately RMB182,791,000; (b) new bank borrowings of approximately RMB45,000,000 subsequently obtained from banks up to the date of approval for the consolidated financial statements; (c) additional new credit facilities and/or financial arrangements which are currently under serious and advanced stage of discussions between the Group and certain financial institutions and potential investor(s); (d) serious discussions with an independent third party for co-operation relating to certain assets of the Group subsequent to the end of the reporting period, as part of the Group's measure improve the Group's liquidity; and (e) a substantial shareholder of the Company, to whom the Company owed approximately RMB381,600,000, that were classified as financial liabilities measured at fair value through profit or loss as included in current liabilities as at 31 December 2019, has agreed to provide adequate funds to the Group to enable it to meet its debts as and when they fall due in the foreseeable future, and will not demand immediate repayment from the Company until the Group will have sufficient working capital to operate as a going concern in the foreseeable future.

Management of the Company has prepared a cash flow forecast of the Group for a period covered not less than twelve months from date of approval for the consolidated financial statements. Based on the cash flow forecast, after having taken into account of the Group's projected cash flows, current financial resources, existing and new credit facilities, the financial support from a substantial shareholder of the Company and the future capital expenditure requirement, management of the Company is of the view that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the next twelve months from the date of approval for the consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

By the order of the Board
China NT Pharma Group Company Limited
Ng Tit
Chairman

Hong Kong, 14 April 2020

As at the date of this announcement, the executive directors of the Company are Mr. Ng Tit, Ms. Chin Yu, Mr. Wu Weizhong; the non-executive director of the Company is Dr. Qian Wei; and the independent non-executive directors of the Company are Mr. Tze Shan Hailson Yu, Mr. Pan Fei and Dr. Zhao Yubiao.