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VOLUNTARY ANNOUNCEMENT IN RELATION TO A FRAMEWORK AGREEMENT

Reference is made to the announcement of China NT Pharma Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 20 April 2022 (the “**Announcement**”) in relation to inside information and resumption of trading in the Company’s shares (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Unless otherwise stated, capitalised term used herein shall have the same meanings as those defined in the Announcement.

As mentioned in the Announcement, the Company has been in negotiation with independent third party(ies) regarding the potential acquisition of the commercialisation right of certain monoclonal antibody products (the “**Potential Acquisition**”), the potential disposal of certain tangible assets of the Group (the “**Potential Disposal**”), and a potential strategic co-operation to develop new products of the Group (the “**Potential Co-operation**”, together with the Potential Acquisition and the Potential Disposal, the “**Potential Transactions**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide updated information to the shareholders and potential investors of the Company in relation to the Possible Transactions.

The Company is in advanced stage of discussion with a clinical-stage biopharmaceutical company incorporated in the United States of America (the “**Licensor**”) in relation to entering into of a licensing agreement (the “**Licensing Agreement**”), pursuant to which the Licensor is to grant a license to a wholly-owned subsidiary of the Company to commercialise certain monoclonal antibody products. The parties are currently finalising the terms of the Licensing Agreement.

The Company is also in advanced stage of discussion with a PRC company in relation to entering into of a disposal agreement (the “**Disposal Agreement**”), pursuant to which a wholly-owned subsidiary of the Company shall conditionally agree to sell and the purchaser shall conditionally agree to purchase certain tangible assets of such subsidiary. The parties are currently finalising the terms of the Disposal Agreement.

The Board is also pleased to announce that, on 29 April 2022, the Company entered into a Framework Agreement with the municipal government of a city in Hubei Province (the “**Municipal Government**”), the People’s Republic of China (the “**PRC**”) and a PRC incorporated company (the “**Framework Agreement**”).

The PRC Government has been emphasising the modernisation of the health and welfare system of China and has recently introduced the “14th Five-Year” Development Plan to encourage the development of new technology in the pharmaceutical industry. The Framework Agreement with the Municipal Government is considered as one of the many implementation steps of such policy of the PRC Government.

Pursuant to the Framework Agreement, the Municipal Government intends to invest into various research and development projects of the Company. In particular, (i) the Company intends to set up a joint venture company, an integrated biotechnology and pharmaceutical company specialised in research and development, production, sales and services which will invest in assets and technologies including (a) global first class biological new drugs; (b) certain drug license rights; and (c) psychiatric artificial intelligence screening technology (the “**JV Co**”), and is expected to be a subsidiary of the Company, with the Municipal Government in a high-tech zone in a city in Hubei Province, the PRC (the “**High-tech Zone**”) as its new headquarter and relocate the Company’s existing manufacturing capacity to the JV Co; (ii) the Municipal Government intends to provide a parcel of land in the High-tech zone for the establishment of plants and facilities to be used by the JV Co; (iii) the Municipal Government also intends to provide funds of approximately RMB200 million for the establishment of plants and facilities be used by the JV Co; and (iv) the Municipal Government or its designated platform shall invest approximately RMB300 million into the JV Co to take up not more than 15% equity interest in the JV Co with exit period of three years.

The implementation and materialisation of the Framework Agreement is subject to the terms and conditions of the definitive joint venture agreement and completion of the Potential Acquisition.

As at the date of this announcement, negotiations in relation to the Potential Acquisition and the Potential Disposal are still ongoing. The terms and conditions regarding the Potential Acquisition and the Potential Disposal are yet to be finalised and no definitive agreement has been entered into by the Group regarding the Potential Acquisition and the Potential Disposal up to the date of this announcement. Should the Potential Acquisition and the Potential Disposal materialise, they may constitute notifiable transactions under Chapter 14 of the Listing Rules. The Company will make further announcements in relation to the Potential Acquisition and the Potential Disposal in compliance with the Listing Rules, together with the details of the Framework Agreement, as and when appropriate.

Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the Shares.

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

Hong Kong, 17 May 2022

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