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**SINOPHARM COMMON WEALTH
COMPANY LIMITED**
國藥集團共裕有限公司
*(Incorporated in the Cayman Islands with
limited liability)*


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)

JOINT ANNOUNCEMENT

**MONTHLY UPDATE
IN RELATION TO
(1) PRE-CONDITIONAL PROPOSAL TO PRIVATISE
CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED
BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED**

Financial Adviser to the Offeror



References are made to (i) the joint announcement dated 21 February 2024 (the “**Joint Announcement**”) jointly issued by Sinopharm Common Wealth Company Limited (the “**Offeror**”) and China Traditional Chinese Medicine Holdings Co. Limited (the “**Company**”) in relation to, amongst other things, the pre-conditional proposal to privatise the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong); (ii) the joint announcement dated 11 March 2024 jointly issued by the Offeror and the Company in relation to the extension of time for the despatch of the Scheme Document; and (iii) the

joint announcements dated 11 April 2024, 13 May 2024, 13 June 2024 and 15 July 2024 jointly issued by the Offeror and the Company in relation to the monthly updates of the Proposal. Unless otherwise defined in this joint announcement, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

STATUS OF SATISFACTION OF THE PRE-CONDITION(S)

As disclosed in the Joint Announcement, the making of the Proposal is, and the implementation of the Scheme will be, subject to the satisfaction of the Pre-Condition(s) on or prior to the Pre-Condition Long Stop Date.

As stated in the Joint Announcement, the Pre-Condition(s) are as follows:

- (a) with respect to the applicable outbound direct investment laws and regulations, to the extent necessary, all relevant approvals, registrations, filings, reports (as the case may be), where applicable, have been obtained from, completed with and/or made to (as the case may be): (i) the SASAC, (ii) the National Development and Reform Commission of the PRC, (iii) the Ministry of Commerce of the PRC, and (iv) the State Administration of Foreign Exchange of the PRC, or the respective local authorities or delegates or institutions authorised by each of (i) to (iv) (collectively, the “**ODI Approvals**”); and
- (b) with respect to the PRC Anti-Monopoly Law, to the extent necessary, all relevant notifications, filings or applications (as the case may be) have been made and, where applicable, the approvals, consents or clearances from the SAMR have been received (collectively, the “**Anti-Monopoly Approvals**”).

The Offeror and the Company would like to update the Shareholders and potential investors of the Company that as at the date of this joint announcement:

- (a) for the notifications, filings or applications which are necessary with respect to the ODI Approvals, relevant documentation has been submitted to the SASAC, the Ministry of Commerce of the PRC and the National Development and Reform Commission of the PRC for review and approval, and the Offeror and the Company will continue to supplement the documentation submitted based on any feedback which may be received from the aforementioned authorities. Once the Ministry of Commerce of the PRC and the National Development and Reform Commission of the PRC have approved the documentation submitted, the Offeror will arrange for the submission of the relevant documentation to the State Administration of Foreign Exchange of the PRC for approval through designated banks in accordance with the prescribed procedures; and
- (b) for the notifications, filings or applications which are necessary with respect to the Anti-Monopoly Approvals, relevant documentation has been submitted to the SAMR for review and approval, and the Offeror and the Company will continue to supplement the documentation submitted based on any feedback which may be received from the SAMR. Once the SAMR has

formally accepted the relevant application for the Anti-Monopoly Approvals, basic information relating to the case will be publicly displayed or comments from relevant authorities, industry associations etc. will be solicited. The SAMR may raise further comments on the application based on any feedback received during the public display or comments solicitation period. After the SAMR's further comments and information requests have been addressed by the Offeror and the Company to its satisfaction, it is expected that the Anti-Monopoly Approvals may be obtained.

The Offeror's representatives have spent considerable time in preparing and submitting the aforementioned notifications, filings and/or applications as they require thorough details and input from six different parties (in addition to the Offeror), namely the Controlling Shareholder (and its associates) and each member of the Investor Group. Majority of them are state-owned enterprises of considerable size, and therefore additional time is required for gathering information from them, liaising with them, and for each of them to complete their respective internal approval procedures.

Further announcement(s) will be made as and when appropriate in compliance with the Takeovers Code in relation to the satisfaction of the Pre-Condition(s) and the despatch of the Scheme Document.

WARNING

Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the Pre-Conditions and the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not become effective. Accordingly, they are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By the order of the board of directors
**Sinopharm Common Wealth Company
Limited**
CHEN Yinglong
Director

By the order of the Board
**China Traditional Chinese Medicine Holdings
Co. Limited**
CHEN Yinglong
Chairman

Hong Kong, 15 August 2024

As at the date of this joint announcement, the board of directors of the Offeror comprises Mr. XIAO Zhi, Mr. ZHANG Xiaowei, Mr. CHEN Yinglong, Mr. LAI Bo, Mr. YANG Binghua, Mr. MENG Qingxin, Ms. LI Ru, Mr. WANG Kan and Ms. MA Yuanru.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group and the Controlling Shareholder), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors and the director of the Controlling Shareholder in their respective capacity as such)

have been arrived at after due and careful consideration and there are no facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Directors of the Company are Mr. CHEN Yinglong (an executive Director); Mr. CHENG Xueren, Mr. YANG Wenming, Ms. LI Ru, Mr. YANG Binghua, Mr. WANG Kan and Mr. MENG Qingxin (each of which a non-executive Director); and Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong (each of which an independent non-executive Director).

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the Group, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the Directors in their capacity as such have been arrived at after due and careful consideration and there are no facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the director of the Controlling Shareholder is Mr. CHEN Yinglong.

The director of the Controlling Shareholder accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group), and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.