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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, 15 July 2024, 15 August 2024 and 16 September 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 (“**MOC**”) and the National Development and Reform Commission of the PRC (“**NDRC**”) for review and approval. The Offeror and the Company are in the course of communicating with the MOC in relation to its feedback on the submitted documentation, and will continue to supplement the submitted documentation based on any further feedback which may be received from the MOC and other aforementioned authorities. Once the MOC and the NDRC 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) the Anti-Monopoly Approvals (not subject to any conditions) have been obtained, and Pre-Condition (b) has been fulfilled.

As stated in the Joint Announcement, the Pre-Condition Long Stop Date is the date which is 240 days after the date of the Joint Announcement, being 18 October 2024, or any other date as may be agreed by the Offeror and the Company and as permitted by the Executive under the Takeovers Code. Since it is currently expected that it is unlikely to be able to obtain the outstanding ODI Approvals on or before the Pre-Condition Long Stop Date, the Offeror and the Controlling Shareholder are currently seeking consent from the Investor Group to extend the Pre-Condition Long Stop Date, and it remains uncertain whether such consent from the Investor Group will be obtained. A further announcement will be issued as soon as practicable in compliance with the Takeovers Code to inform the Shareholders and investors of the Company (a) whether the outstanding ODI Approvals have been obtained. If not, whether the Pre-Condition Long Stop Date has been extended; and (b)(i) where the Pre-Condition Long Stop Date has been extended, details of such extension; or (ii) where the Pre-Condition Long Stop Date will not be extended, the lapse of the Proposal.

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**
YANG Jun
Chairman

Hong Kong, 16 October 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. YANG Jun and Mr. LI Hongjian (each of which 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.