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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)

**RESIGNATION OF MEMBERS OF SENIOR MANAGEMENT AND
RE-DESIGNATION OF DIRECTORS**

The board (the “**Board**”) of directors (the “**Directors**”) of China Traditional Chinese Medicine Holdings Co. Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that the Board has received written resignation reports from Mr. CHENG Xueren (“**Mr. CHENG**”) and Mr. YANG Wenming (“**Mr. YANG**”). As they are reaching the retirement age, Mr. CHENG has applied to resign as the president of the Company (i.e. the general manager), and to re-designate from an executive Director and the managing Director to a non-executive Director; and Mr. YANG has applied to resign as the vice president of the Company, and to re-designate from an executive Director to a non-executive Director.

The Board resolved that Mr. CHENG and Mr. YANG shall cease to serve as members of the senior management of the Company, and shall be re-designated to non-executive Directors, with effect from 21 March 2024, and shall continue to serve as members of the nomination committee and strategic committee of the Board. The Board also resolved that Mr. CHEN Yinglong (“**Mr. CHEN**”), an executive Director and the chairman of the Board, shall be appointed as the acting president (i.e. the general manager) with effect from 21 March 2024. Mr. CHEN will be responsible for the implementation of the important policies and development strategies approved by the Board and has direct management responsibility for the daily operations of the Group. The Board will maintain standardized operation in accordance with the laws and regulations to ensure the continued stability of the Company’s operation.

Each of Mr. CHENG and Mr. YANG will enter into an appointment letter with the Company in relation to his re-designation as a non-executive Director for a term of 3 years, with effect from 21 March 2024. Mr. CHENG and Mr. YANG will not receive remuneration from the Company in

connection with the performance of their duties under their re-designation as non-executive Directors, but are entitled to the reimbursement of reasonable out-of-pocket expenses properly and reasonably incurred in relation to the performance of their duties as Directors.

The Board would like to express its sincere gratitude to Mr. CHENG and Mr. YANG for their valuable contribution to the Company during their tenure as members of senior management of the Company. Mr. CHENG and Mr. YANG have confirmed that they have no disagreement with the Board and there is no matter relating to their resignation and re-designation that needs to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The biographical details of Mr. CHEN, Mr. CHENG and Mr. YANG are set out below:

Mr. CHEN, aged 52, was appointed to the Board and served as the Chairman of the Board on 12 May 2022. Mr. CHEN graduated from Heilongjiang University with a bachelor degree of English majoring in English Literature in 1993 and completed the master course of Management Science and Engineering in School of Management of Harbin Institute of Technology in 1999. Mr. CHEN has the professional qualification of senior enterprise information manager and senior economist. Mr. CHEN was the business manager of the first business department of Harbin Metals and Minerals Import and Export Corporation from December 1993 to September 1994; the first representative of Harbin branch of Eisenberg Group United Development Co., Ltd. from September 1994 to October 1999; the general manager of Harbin Runhe Technology Development Co., Ltd. from October 1999 to April 2004; a director and general manager of Harbin Baida Pharmaceutical Co., Ltd. from April 2004 to November 2009; a manager of the raw material department and successively a manager of the safety and environmental protection department of China National Pharmaceutical Industry Company Limited from November 2009 to August 2010; the deputy general manager, general legal adviser and secretary of the board of directors of China Traditional Chinese Medicine Co. Ltd. (formerly known as China National Corp. of Traditional & Herbal Medicine) from August 2010 to December 2018. He served as a vice president of the Company from December 2018 to May 2020, during which he was also the standing committee member of the municipal committee and deputy mayor of Baishan City of Jilin Province. He has been director of public affairs department of China National Pharmaceutical Group Co., Ltd. from May 2020 to June 2022. Mr. CHEN is currently the secretary of the Party Committee of the Company (as the acting president (i.e. the general manager)), and the chairman of the board, general manager and provisional deputy Party secretary of the China Traditional Chinese Medicine Co. Ltd.

Mr. CHENG, aged 60, was appointed to the Board on 25 March 2022. Mr. CHENG was graduated from Anhui Institute of Traditional Chinese Medicine (currently known as Anhui University of Traditional Chinese Medicine) with a bachelor degree in Traditional Chinese Medicine in 1985, and finished master course of Basic Theory of Integrated Chinese and Western Medicine in Guangzhou University of Chinese Medicine in 1992. Mr. CHENG has the professional qualifications of chief pharmacist and attending physician. Mr. CHENG was a physician of Anhui Chuzhou People’s Hospital from July 1985 to August 1989; a doctor of Guangdong Second Hospital of Traditional Chinese Medicine from July 1992 to March 1993; a R&D director, a person in charge of quality, a

deputy manager of production, the deputy manager of sale, chairman, general manager and secretary of Party committee of Guangdong Yifang Pharmaceutical Co., Ltd. from March 1993 to September 2021. In which, he was the vice director of Guangdong Institute of Traditional Chinese Medicine from March 1993 to May 2015, a vice president and president of the Company from December 2019 to March 2024. Mr. CHENG has been a director of Chongqing Taiji Industry (Group) Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600129) since 6 May 2022, and held directorship in multiple subsidiaries of the Company.

Mr. YANG, aged 60, was appointed to the Board on 24 December 2018. Mr. YANG graduated from Zhejiang University majoring in Biological and Medical Instruments and obtained a bachelor degree of Engineering in 1985. Mr. YANG also has the senior engineer professional qualification. He was previously a staff member of the quality standard department, a senior staff member, a principal staff member, the deputy department head of the external cooperation department, the assistant of general manager and the department head of the external cooperation department and the assistant of general manager of China National Medical Equipment Industry Corporation from August 1985 to March 1999 and the assistant of the department head of the Medical Equipment Administration Department and the deputy director of the Medical Equipment Products Examination and Registration Centre of the State Medicine Administrative Bureau of China from January 1997 to January 1998. He was previously an office manager, manager of the information department, manager of the discipline inspection and supervision office, manager of the audit department, deputy secretary of discipline inspection committee, vice president of labour union and the staff supervisor of China National Pharmaceutical Group Corporation (中國醫藥集團總公司) (currently known as China National Pharmaceutical Group Co., Ltd.), and deputy general manager, deputy secretary of the Party Committee and secretary of discipline inspection committee, president of labour union of China National Pharmaceutical Industry Company Limited from March 1999 to April 2017; the deputy secretary of the Party Committee, secretary of discipline inspection committee and president of labour union of Shanghai Shyndec Pharmaceutical Co., Ltd. from November 2016 to December 2018; the secretary of the Party Committee and vice president of the Company from December 2018 to March 2024. Mr. YANG has held directorship in multiple subsidiaries of the Company.

Save as disclosed above, Mr. CHEN, Mr. CHENG and Mr. YANG (i) do not hold any other position within the Group; (ii) did not hold and had not held directorships in any other listed companies in the past three years; (iii) have not held any other major appointment and professional qualifications; and (iv) do not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)).

As at the date of this announcement, Mr. CHEN, Mr. CHENG and Mr. YANG do not have any interest in the shares, underlying shares or debentures of the Company and/or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there are no other matters concerning Mr. CHEN, Mr. CHENG and Mr. YANG that need to be brought to the attention of the shareholders of the Company, nor is there any information relating to Mr. CHEN, Mr. CHENG and Mr. YANG that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Pre-conditional Proposal for the Privatisation of the Company

Reference is made to the joint announcement dated 21 February 2024 (the “**Joint Announcement**”) jointly issued by Sinopharm Common Wealth Company Limited (the “**Offeror**”) and 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). Unless otherwise defined, capitalised terms used in this section headed “Pre-conditional Proposal for the Privatisation of the Company” shall have the same meanings as those defined in the Joint Announcement.

As disclosed in the Joint Announcement, the Independent Board Committee comprising Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong, being all the independent non-executive Directors, has been formed to make a recommendation to the Independent Shareholders as to whether (i) the Proposal and the Scheme are fair and reasonable; and (ii) to vote in favour of the resolutions in connection with the implementation of the Proposal at the EGM and the approval of the Scheme at the Court Meeting.

As both Mr. CHENG and Mr. YANG (i) were nominated to the Board by CNPGC, the parent company of the Controlling Shareholder; and (ii) also hold positions in China Traditional Chinese Medicine Co. Limited* (中國中藥有限公司), which is the holding company of the Controlling Shareholder, Mr. CHENG and Mr. YANG are regarded as being interested in the Proposal and therefore do not form part of the Independent Board Committee upon their re-designations as non-executive Directors.

* *For identification purpose only*

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

Hong Kong, 21 March 2024

As at the date of this announcement, the Board comprises eleven Directors, of which Mr. CHEN Yinglong is executive Director; Mr. CHENG Xueren, Mr. YANG Wenming, Ms. LI Ru, Mr. YANG Binghua, Mr. WANG Kan and Mr. MENG Qingxin 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.

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