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同方康泰產業集團有限公司
Tongfang Kontafarma Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

VOLUNTARY ANNOUNCEMENT
FRAMEWORK AGREEMENT

This announcement is made by Tongfang Kontafarma Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board of directors of the Company was pleased to inform that on 17 January 2020, Tongfang Pharmaceutical Group Co. Ltd.* (同方藥業集團有限公司), a wholly-owned subsidiary of the Company, and YanAn Bicon Pharmaceutical Listed Company* (延安必康製藥股份有限公司) (“**YanAn Bicon**”) entered into a framework agreement (the “**Framework Agreement**”) pursuant to which the parties shall embark on in-depth collaboration in respect of research and development, manufacture and sale of pharmaceutical products so as to explore and expand the market of pharmaceutical products within The People’s Republic of China (“**PRC**”) and outside the territory. The parties will proceed with further deliberation on the specific scope of cooperation and may enter into relevant co-operation agreement if and when appropriate.

YanAn Bicon is a company established under the laws of the PRC, with its A shares being listed on the Shenzhen Stock Exchange (stock code: 002411). Its businesses include research and development, manufacture and sales of modernized Chinese medicines and chemical medicines for treatment of circulatory system, digestive system, respiratory system, nervous system, ophthalmic and pediatric diseases. YanAn Bicon has established a leading market position in the Chinese pharmaceutical industry and has become one of the six pharmaceutical enterprises among the top 100 Chinese manufacturing brands in 2019. It owns strong pharmaceutical manufacturing capacity equipped with artificial intelligence, a nationwide direct sales network, and distribution channels composed of strategic business partners in 26 provinces, covering hospitals, community clinics and chain drugstores.

The collaboration with YanAn Bicon as contemplated under the Framework Agreement can improve the Group’s capacity utilization in an effective manner, diversify the product portfolio, enhance the capability in commercial retail channels, so as to create mutual benefit to both parties.

To the best knowledge of and based on the information available to the Company, as at the date of this announcement, YanAn Bicon and its subsidiaries are third parties independent of the Company and connected persons of the Company within the meaning of The Rules Governing Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board of
Tongfang Kontafarma Holdings Limited
Huang Yu
Chairman

Hong Kong, 17 January 2020

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Huang Yu (Chairman) and Mr. Jiang Chaowen (Chief Executive Officer); and three independent non-executive Directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.

* *For identification purposes only*