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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)

**MAJOR TRANSACTION
IN RELATION TO
DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY**

The Board would like to announce that on 13 November 2020 (after trading hours), the Vendor (a direct wholly-owned subsidiary of the Company), the Target Company, the Purchaser and the Company (as the Vendor's warrantor) entered into the Sale and Purchase Agreement regarding the sale and purchase of the Sale Share, representing the entire issued share capital of the Target Company at the consideration of HK\$349,648,865.3, which will be settled by way of (i) payment in cash for the sum of HK\$2,000,000 by the Purchaser to the Vendor; and (ii) assumption of all liabilities and obligations by the Purchaser under the Novated Debt for the sum of HK\$347,648,865.3 upon Completion.

The Target Company, being a direct wholly-owned subsidiary of the Vendor, is the holding company of the Target Group which is principally engaged in the Cement Business. As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Transaction exceed 25% but are below 75%, the Transaction constitutes a major transaction of the Company and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders have a material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and therefore no Shareholder is required to abstain from voting if a general meeting were to be convened for the approval of the Sale and Purchase Agreement and the transactions thereunder.

As at the date of this announcement, the Company is in the course of seeking a written Shareholder's approval from its controlling Shareholder, namely China Health which is in turn ultimately controlled by Shanxi State-owned Capital Operation Co., Ltd.* (山西省國有資本運營有限公司), a state-owned enterprise established by the Shanxi Province Government in the PRC. As at the date of this announcement, China Health directly holds 3,172,778,000 Shares, representing approximately 56.77% of the issued share capital of the Company. The written approval from China Health, once obtained, would approve the Sale and Purchase Agreement and the transactions contemplated thereunder in lieu of holding a general meeting of the Company in accordance with Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) the details of the Sale and Purchase Agreement and the transactions contemplated thereunder; and (ii) other information required to be included under the requirements of the Listing Rules is currently expected to be dispatched on or before 11 December 2020 as additional time is required for the Company to prepare and finalise certain information relating to indebtedness statements and working capital sufficiency for inclusion in the circular and the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules in respect of the delay in dispatch of the circular. It is currently expected that the written approval from China Health could be obtained prior to dispatch of the circular.

Shareholders and potential investors of the Company should note that Completion is subject to the fulfillment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement and therefore may or may not occur. Shareholders and potential investors of the Company are reminded to exercise caution when dealing with the Shares and other securities of the Company.

On 13 November 2020 (after trading hours), the Vendor, the Target Company, the Purchaser and the Company entered into the Sale and Purchase Agreement regarding the sale and purchase of the Sale Share, representing the entire issued share capital of the Target Company at the consideration of HK\$349,648,865.3 to be settled by way of (i) payment in cash for the sum of HK\$2,000,000 by the Purchaser to the Vendor; and (ii) assumption of all liabilities and obligations by the Purchaser under the Novated Debt for the sum of HK\$347,648,865.3 upon Completion.

THE SALE AND PURCHASE AGREEMENT

Date: 13 November 2020 (after trading hours)

- Parties:
- (1) the Vendor, a direct wholly-owned subsidiary of the Company
 - (2) the Target Company, being a direct wholly-owned subsidiary of the Vendor
 - (3) the Purchaser
 - (4) the Company, as the Vendor's warrantor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is a company incorporated under the laws of the BVI with limited liability and is principally engaged in investment holding; (ii) the ultimate beneficial owner of the Purchaser is Cheng Lung Don; and (iii) the Purchaser and its ultimate beneficial owner are Independent Third Parties.

Consideration

Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Share at the consideration of HK\$349,648,865.3 to be settled by way of (i) payment in cash for the sum of HK\$2,000,000 by the Purchaser to the Vendor; and (ii) assumption of all liabilities and obligations by the Purchaser under the Novated Debt upon Completion. As at the date of this announcement, the Vendor owed the Target Company a debt for the sum of HK\$347,648,865.3. As part of the Consideration for the Transaction, at Completion, the Vendor, the Target Company and the Purchaser will enter into the Deed of Novation pursuant to which the Purchaser will assume in place of the Vendor, and the Vendor will be discharged and released from, all the liabilities and obligations under the said debt of HK\$347,648,865.3 (i.e. the Novated Debt) effective from the date of Completion, and the Novated Debt will then be owed by the Purchaser to the Target Company.

Conditions precedent

Completion is conditional upon and subject to the following conditions:

- (i) the Purchaser having completed its due diligence review on the Target Group and being reasonably satisfied with the results thereof;
- (ii) the warranties respectively given by the Vendor, the Purchaser and the Company under the Sale and Purchase Agreement remaining true and accurate in all material respects and not misleading in any material respect as at Completion;

- (iii) the Company having obtained the approval from the Shareholders for the Sale and Purchase Agreement and the transactions contemplated thereunder either (a) by a majority vote at a general meeting of the Company; or (b) subject to the fulfilment of the conditions in Rule 14.44 of the Listing Rules, by written shareholder's approval from a shareholder or a closely allied group of shareholders of the Company who together hold more than 50% of the voting rights at the general meeting, and such approval not having been revoked or withdrawn; and
- (iv) where applicable, the obtaining of all necessary approvals, confirmations, waiver or consents from the relevant government or regulatory authorities or any third parties which are required for the execution and performance of the Sale and Purchase Agreement and the transactions contemplated thereunder, and such approvals, confirmations, waiver or consents not having been revoked or withdrawn.

If the conditions set out above have not been satisfied (or as the case may be, waived) on or before the Long Stop Date, the Sale and Purchase Agreement shall cease and terminate, and thereafter neither party shall have any obligations and liabilities towards each other thereunder. Among the conditions mentioned above, only the condition under aforesaid paragraph (ii) can be waived by the Vendor (in respect of the warranties given by the Purchaser) and only the conditions under aforesaid paragraphs (i) and (ii) (in respect of the warranties given by the Vendor and the Company) can be waived by the Purchaser.

Deed of Indemnity

On Completion, the Vendor and the Purchaser will enter into the Deed of Indemnity whereby the Vendor undertakes to the Purchaser to indemnify it against any tax liabilities in relation to the business activities of the Target Group prior to Completion.

Completion

Completion shall take place within five Business Days after the fulfilment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement or such other date as the parties to the Sale and Purchase Agreement may agree in writing.

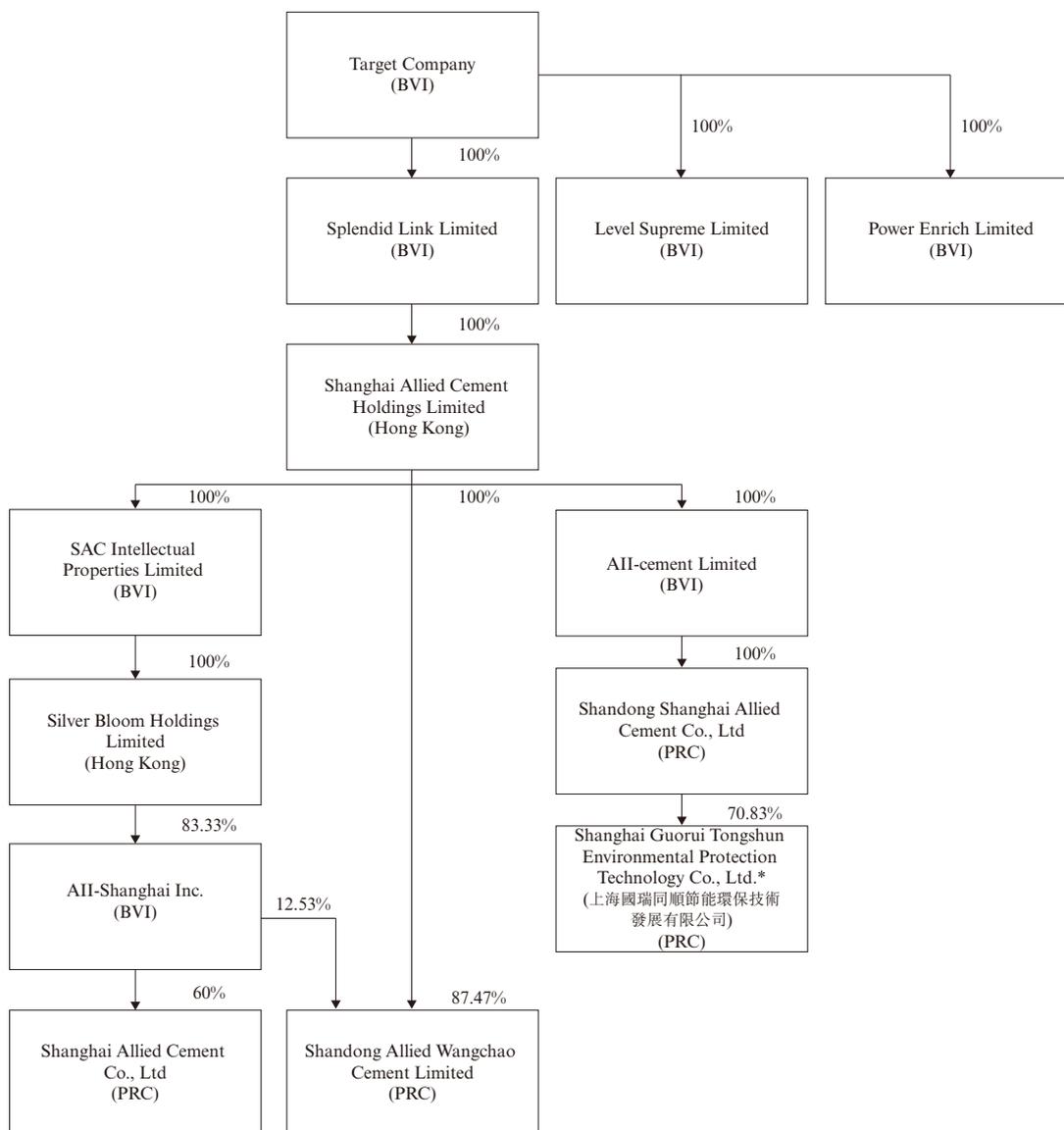
Upon Completion, the Target Group will cease to be subsidiaries of the Company and the Group will cease to engage in the Cement Business (as defined below).

INFORMATION OF THE GROUP

The Company is an investment holding company and the Group is currently principally engaged in (i) manufacturing and sales of prescription drugs, including chemical drugs and prescribed traditional Chinese medicines, and laboratory related products in the PRC (the "**Pharmaceutical and Health Business**"); (ii) operating fitness centres and providing consultation services for fitness and health activities, and operating franchise business for royalty fee income (the "**Fitness Business**"); and (iii) manufacturing and sales of cement and clinker and trading of cement in the PRC (the "**Cement Business**").

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the BVI with limited liability, which is principally engaged in investment holding. The Target Group is principally engaged in the Cement Business. The group structure of the Target Group is set out below:



Set out below is certain financial information of the Target Group prepared in accordance with the HKFRSs for the two years ended 31 December 2019:

	For the year ended 31 December 2018 (unaudited) HK\$'000	For the year ended 31 December 2019 (unaudited) HK\$'000
Revenue	1,230,300	561,199
Profit before taxation	51,390	42,149
Profit after taxation	23,381	493
Profit(loss) attributable to owners of the Company	5,093	(17,856)

As at 30 June 2020, the unaudited total asset value of the Target Group was approximately HK\$2,182.7 million, and the unaudited net asset value of the Target Group attributable to owners of the Company was approximately HK\$454.8 million.

FINANCIAL EFFECT OF THE TRANSACTION

Upon Completion, the Group will cease to have any interests in the Target Group, and the financial results of the Target Group will no longer be consolidated in the financial statements of the Group. The Group expects to record an estimated loss of approximately HK\$154.2 million as a result of the Transaction at the Completion. The actual loss as a result of the Transaction to be recorded by the Group is subject to audit to be performed by the auditors of the Company. The cash consideration will be applied as general working capital of the Group. The Group will be discharged and released from the Novated Debt with effect from the Completion.

REASONS FOR THE TRANSACTION AND BASIS OF THE CONSIDERATION

In these years, the Directors have noted the adjustments in the economy structure of the PRC, in particular that it has been the spirit of national policies in the PRC to boost high quality and streamline resources for quality and efficiency enhancement in various industries through phasing out obsolete and redundant production, and that cement operators with larger operational scale have higher efficiency than cement operators with smaller operational scale by benefiting from economies of scale. Industrial Structure Adjustment Guiding Catalogue* (產業結構調整指導目錄), being promulgated by National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會) (the “**NDRC Guiding Catalogue**”) in October 2019 and effective from 1 January 2020, sets out the direction on types of production planned to be phased out in different industries. For implementing the direction under the NDRC Guiding Catalogue, in November 2019, China Building Materials Federation* (中國建築材料聯合會) issued a more specific Guiding Catalogue for Phasing Out Obsolete Production in Building Materials Industry* (《建材行業淘汰落後產能指導目錄》) (the “**Building Materials Guiding Catalogue**”). The Building Materials Guiding Catalogue covers various building materials including cement, and requires cement clinker

production that cannot meet the stipulated production efficiency rate be eliminated by the end of 2022. The Target Group, which is engaged in the Cement Business, must abide by the Building Materials Guiding Catalogue. Despite being a relatively small-scale cement operator in the PRC, the Target Group should be able to increase its production efficiency and avoid itself becoming a phasing-out target under the Building Materials Guiding Catalogue.

However, the unexpected outbreak of COVID-19 pandemic posed unprecedented challenges to the Cement Business of the Target Group. The cement production lines were closed until April this year under the government-mandated lockdowns in the PRC. After resumption of cement production, no alleviation to the phase-out measures under the Building Materials Guiding Catalogue or the NDRC Guiding Catalogue have been launched and it is observed that there is an overproduction in the cement industry and competition in the cement industry has become much fiercer. The trend of phasing out obsolete and redundant production becomes more obvious and has been accelerating after the COVID-19 pandemic. Compared to other market players with larger operational scale, the Target Group has been losing competitive edge in benefiting from economies of scale and higher efficiency.

The Company has been vigorously exploring feasible means to sustain the Cement Business of the Target Group. As disclosed in the announcements of the Company respectively dated 3 and 6 July 2020, the Target Group disposed of certain machines and equipment used for production of cement to an Independent Third Party at approximately RMB38.4 million in cash and leased back such machines and equipment at rental of approximately RMB5.8 million payable by the Target Group annually. Notwithstanding the ease of the cashflow pressure in short term, in view of the requirements under the Building Materials Guiding Catalogue, heavy capital expenditure is expected to be incurred by mid of 2022 for upgrading production lines to avoid the Target Group becoming a phasing-out target at the end of 2022.

Since the outbreak of COVID-19 pandemic, the Company and its Directors have been proactively evaluating the business strategies of the Group from time to time so as to stabilize the business and maintain the sustainable development and growth of the Group amid the extremely challenging market conditions. After assessing the overall business environment in the cement industry, the competitive edge of the Target Group in the cement industry, the business and financial performance and expected prospect of the Cement Business compared to other business segments of the Group as well as the estimated capital expenditure required for the Target Group in view of the Building Materials Guiding Catalogue, the Directors believe that the Transaction represents an opportunity to the Group to dispose of business which is not only loss making but also requires high capital expenditure. It will also allow the Group to focus on other business segments, namely the Pharmaceutical and Health Business and the Fitness Business which are expected to bring higher positive returns to the Company and its Shareholders in long turn as elaborated below.

Performance and Prospect of the Pharmaceutical and Health Business and the Fitness Business

While the COVID-19 pandemic posed unprecedented challenges to the Cement Business of the Target Group, the Company sees the positive prospects of the Pharmaceutical and Health Business and the Fitness Business. As disclosed in the announcement of the Company dated 3 February 2020, Chongqing Kangle Pharmaceutical Co., Ltd.* (重慶康樂製藥有限公司) (“**Chongqing Kangle**”), being an indirect non-wholly owned subsidiary of the Company, had been accredited by the National Medical Products Administration (previously known as the China Food and Drug Administration (國家藥品監督管理局 (前稱國家食品藥品監督管理總局)) to manufacture the Active Pharmaceutical Ingredients Chloroquine Phosphate which has been included in the list of central medical reserve* (中央醫藥儲備) of the PRC. The Chloroquine Phosphate has been tested and proved to have certain curative effect in combating against the pneumonia infected by COVID-19. Chongqing Kangle was requested to resume production earlier in February 2020. Such production contributed to increase in revenue and profit of the the Pharmaceutical and Health Business of the Group for the six months ended 30 June 2020. As to the Fitness Business, although there had been temporary closure of the fitness centres earlier this year due to COVID-19 pandemic which led to decrease in revenue and loss in the Fitness Business of the Group for the six months ended 30 June 2020, the Company believes that the demand for fitness centres and consultation services for fitness and health activities will increase in the long run amid the rising health consciousness of the people after COVID-19 pandemic. As of the date of this announcement, all of the fitness centres of the Group have resumed operation and it is expected that the Fitness Business will improve and its prospect will remain affirmative in the long run.

Set out below is the combined financial information of the Pharmaceutical and Health Group and the Fitness Group prepared in accordance with the HKFRSs for the two years ended 31 December 2019:

	For the year ended 31 December 2018 (unaudited) (HK\$'000)	For the year ended 31 December 2019 (unaudited) (HK\$'000)
Revenue	863,424	921,148
Profit before taxation	108,116	101,800
Profit after taxation	98,871	86,997
Profit attributable to owners of the Company	78,034	75,764

As at 30 June 2020, the unaudited combined total asset value of the Pharmaceutical and Health Group and the Fitness Group was approximately HK\$2,273.1 million, and the unaudited combined net asset value of the Pharmaceutical and Health Group and the Fitness Group attributable to owners of the Company was approximately HK\$58.0 million.

The Pharmaceutical and Health Business and the Fitness Business have as a whole demonstrated steady growth. The total revenue of approximately HK\$921.1 million has been recorded for 2019, representing a year-on-year increase of approximately 6.7%. The gross profit margins of the Pharmaceutical and Health Business were approximately 68.2% and 69.0% for the years ended 31 December 2018 and 2019 respectively. The gross profit margins of the Fitness Business were approximately 19.8% and 23.8% for the years ended 31 December 2018 and 2019 respectively. Given the accreditation of the Group in drug manufacturing and the stronger desire in pursuing health and fitness after COVID-19 pandemic, the Company strongly believes the Pharmaceutical and Health Business and the Fitness Business have great synergies enabling the Company to strategically focus on health-related businesses. The Company is optimistic about the future prospect and growth potential of the Pharmaceutical and Health Business and the Fitness Business and expects that such businesses will continue to be the driver of the sustainable growth of the Group going forward.

Having considered the overall performance of different segments of the Group, the unavoidable heavy capital expenditure required to be invested in the Cement Business of the Group for improving the operation efficiency and the increasingly stringent regulatory environment of the cement market in the PRC, the Company is determined to focus on developing and expanding the Pharmaceutical and Health Business and the Fitness Business with steady and sustainable growth which in turn will bring higher return to the Shareholders. The Directors are of the view that the Transaction represents a good opportunity for the Group to deploy its resources in a more optimal way by concentrating the resources on the Pharmaceutical and Health Business and the Fitness Business.

The terms and conditions of the Transaction and the Consideration of the Transaction (including the cash consideration payable by the Purchaser to the Vendor and the assumption of all liabilities and obligations under the Novated Debt by the Purchaser) were negotiated on arm's length basis and on normal commercial terms between the Vendor, the Target Company, the Purchaser and the Company with reference to various factors, including (i) the accelerating phasing-out process especially after the COVID-19 pandemic under the requirements of the NDRC Guiding Catalogue and the Building Materials Guiding Catalogue; (ii) the difficult operational environment of the Target Group as being a relatively small-scale cement operator in the PRC; and (iii) the discharge of the Group from significant liabilities and capital expenditure relating to the Target Group.

After thorough consideration of the above factors, the Directors consider that the terms of the Sale and Purchase Agreement (including the Consideration) and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Transaction exceed 25% but are below 75%, the Transaction constitutes a major transaction of the Company and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDER’S APPROVAL

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, none of the Shareholders have a material interest in the Sale and Purchase Agreement and the transaction contemplated thereunder and therefore no Shareholder is required to abstain from voting if a general meeting were to be convened for the approval of the Sale and Purchase Agreement and the transactions thereunder.

As at the date of this announcement, the Company is in the course of seeking a written Shareholder’s approval from its controlling Shareholder, namely China Health which is in turn ultimately controlled by Shanxi State-owned Capital Operation Co., Ltd.* (山西省國有資本運營有限公司), previously known as Shanxi State Capital Investment and Operation Co., Ltd.* (山西省國有資本投資運營有限公司), a state-owned enterprise established by the Shanxi Province Government in the PRC. As at the date of this announcement, China Health directly holds 3,172,778,000 Shares, representing approximately 56.77% of the issued share capital of the Company. The written approval from China Health, once obtained, would approve the Sale and Purchase Agreement and the transactions contemplated thereunder in lieu of holding a general meeting of the Company in accordance with Rule 14.44 of the Listing Rules.

GENERAL

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) the details of the Sale and Purchase Agreement and the transactions contemplated thereunder; and (ii) other information required to be included under the requirements of the Listing Rules is currently expected to be dispatched on or before 11 December 2020 as additional time is required for the Company to prepare and finalise certain information relating to indebtedness statements and working capital sufficiency for inclusion in the circular and the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules in respect of the delay in dispatch of the circular. It is currently expected that the written approval from China Health could be obtained prior to dispatch of the circular.

Shareholders and potential investors of the Company should note that Completion is subject to the fulfillment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement and therefore may or may not occur. Shareholders and potential investors of the Company are reminded to exercise caution when dealing with the Shares and other securities of the Company.

DEFINITIONS

Unless otherwise defined, the following expressions in this announcement have the following meanings:

“Board”	the board of Directors;
“Business Day”	a day other than public holiday on which banks are generally open for business in Hong Kong;
“BVI”	British Virgin Islands;

“China Health”	China Health Management Investment Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, which directly holds approximately 56.77% shareholding in the Company as at the date of this announcement;
“Company”	Tongfang Kontafarma Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1312);
“Completion”	the completion of the Transaction;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Consideration”	the consideration of HK\$349,648,865.3 to be settled by way of (i) payment in cash for the sum of HK\$2,000,000 by the Purchaser to the Vendor; and (ii) assumption of all liabilities and obligations by the Purchaser under the Novated Debt for the sum of HK\$347,648,865.3 upon Completion;
“controlling shareholder”	has the meaning ascribed thereto under Rule 1.01 of the Listing Rules;
“COVID-19”	coronavirus disease 2019;
“Deed of Indemnity”	the deed of indemnity to be entered into between the Vendor and the Purchaser upon Completion in relation to the tax liabilities of the Target Group prior to Completion;
“Deed of Novation”	the deed of novation to be entered into between the Vendor, the Target Company and the Purchaser upon Completion pursuant to which the Purchaser will assume all the liabilities and obligations under the Novated Debt which is currently due by the Vendor to the Target Company;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries, and where the context requires, excluding the Target Group after Completion;
“HKFRSs”	Hong Kong Financial Reporting Standards;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Independent Third Party(ies)”	person(s) or company(ies) and its(their) respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is(are) third party(ies) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules);
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Long Stop Date”	31 December 2020, or such other date as the parties to the Sale and Purchase Agreement may agree in writing;
“Novated Debt”	the debts for the sum of HK\$347,648,865.3 currently due by the Vendor to the Target Company;
“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction;
“the Pharmaceutical and Health Group and the Fitness Group”	consists collectively of (i) Tongfang Pharmaceutical and its subsidiaries; and (ii) True Cayman and its subsidiaries, being the subsidiaries of the Company principally engaged in the Pharmaceutical and Health Business and the Fitness Business respectively;
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong and Macau Special Administrative Region of the People’s Republic of China;
“Purchaser”	Minyi Holdings Limited, a company incorporated in the BVI with limited liability and an Independent Third Party;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 13 November 2020 entered into between the Vendor, the Target Company, the Purchaser and the Company in relation to the Transaction;
“Sale Share”	one ordinary share of US\$1 in the share capital of the Target Company legally and beneficially owned by the Vendor, representing the entire issued share capital of the Target Company held by the Vendor;
“Share(s)”	ordinary share(s) of HK\$0.002 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of the Shares;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	Real Jade Limited, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Vendor;
“Target Group”	the Target Company and its subsidiaries;
“Tongfang Pharmaceutical”	Tongfang Pharmaceutical Group Co., Ltd.* (同方藥業集團有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company;
“Transaction”	the disposal of the entire interest in the Target Company by the Vendor to the Purchaser pursuant to the terms of the Sale and Purchase Agreement;
“True Cayman”	TFKT True Holdings, a company incorporated in the Cayman Islands with limited liability and a non-wholly owned subsidiary of the Company;
“Vendor”	Fortunate Gold Limited (金瑞有限公司), a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company at the date of this announcement;
%	per cent.

By order of the Board of
Tongfang Kontafarma Holdings Limited
Chai Hongjie
Chairman

Hong Kong, 13 November 2020

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Chai Hongjie (Chairman), Mr. Huang Yu (President), Mr. Wei Bingzhang 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*