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HANGZHOU TIGERMED CONSULTING CO., LTD.

杭州泰格醫藥科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3347)

**(1) PROPOSED PARTIAL REPURCHASE AND CANCELLATION OF
THE 2019 RESTRICTED A SHARES;
(2) PROPOSED CHANGE OF THE REGISTERED CAPITAL OF
THE COMPANY; AND
(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

Reference is made to the 2019 Restricted Share Incentive Scheme (Draft) (the “**Incentive Scheme (Draft)**”) of Hangzhou Tigermed Consulting Co., Ltd. (the “**Company**”) which became effective on April 10, 2019, as disclosed in the prospectus dated July 28, 2020 of the Company (the “**Prospectus**”). Unless the context requires otherwise, capitalised terms used herein shall have same meanings as those defined in the Prospectus.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that, on October 29, 2020, at the eighth meeting of the fourth session of the Board, the Board resolved and approved, among others: (i) proposed partial repurchase and cancellation of the 2019 restricted A Shares; (ii) proposed change of the registered capital of the Company; and (iii) proposed amendments to the articles of association of the Company (the “**Articles of Association**”).

PROPOSED PARTIAL REPURCHASE AND CANCELLATION OF THE 2019 RESTRICTED A SHARES

The Resolution on the Partial Repurchase and Cancellation of the 2019 Restricted Shares was approved at the eighth meeting of the fourth session of the Board and the sixth meeting of the fourth session of the Supervisory Committee convened on October 29, 2020, pursuant to which, the Company will repurchase and cancel a total of 25,582 restricted Shares granted but not yet unlocked to three incentive participants who have resigned and not met the incentive conditions. None of the above three incentive participants is a connected person as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The relevant matters are described as follows:

I. Reasons for, Number of, Price of and Source of Funds for the Partial Repurchase and Cancellation of the Restricted Shares

(I) Reasons for the Partial Repurchase and Cancellation of the Restricted Shares

As of the date of the eighth meeting of the fourth session of the Board of the Company, three incentive participants resigned due to personal reasons. According to the provisions of Chapter 13 “Handling Unusual Changes to the Company/Incentive Participants” under the Incentive Scheme (Draft), where an incentive participant leaves the Company due to resignation, expiry of labour contract or dismissal, the Board may decide that the restricted Shares granted to the incentive participants but not yet unlocked under the scheme shall not be released from the selling restrictions and shall be repurchased and cancelled by the Company.

According to the resolution of the 2019 second extraordinary general meeting of the Company and the Incentive Scheme (Draft), the Company shall repurchase the restricted Shares granted to two of the aforesaid incentive participants who are the objects in the first grant of the 2019 Restricted Share Incentive Scheme and have resigned but not yet unlocked at the repurchase price of RMB26.55 per share as adjusted after the completion of the 2018 equity distribution plan, while the Company shall repurchase the restricted Shares granted to one of the aforesaid incentive participants who is the object of reserved portion of the 2019 Restricted Share Incentive Scheme and has resigned but not yet unlocked at the reserved portion grant price of the 2019 Restricted Share Incentive Scheme of RMB31.46 per share.

(II) Number and Price of the Restricted Shares subject to the Repurchase and Cancellation

According to the Resolution on the Partial Repurchase and Cancellation of the 2019 Restricted Shares considered and approved at the eighth meeting of the fourth session of the Board of the Company, the Incentive Scheme (Draft) and as confirmed by the Company and verified by the lawyers, 25,582 restricted Shares have been granted to three incentive participants but not yet unlocked, and the number of restricted Shares to be repurchased and cancelled is 25,582 shares. Among which, the Company shall repurchase the restricted Shares granted to two of the incentive participants but not yet unlocked at the repurchase price of RMB26.55 per share, while the Company shall repurchase the restricted Shares granted to one of the incentive participant who is the object of reserved portion of 2019 Restricted Share Incentive Scheme and has resigned but not yet unlocked at the repurchase price of RMB31.46 per share.

(III) Source of funds for the Repurchase and Cancellation of the Restricted Shares

All funds used by the Company for the repurchase are self-owned funds of the Company.

II. Changes of the Shareholding Structure of the Company after the Repurchase and Cancellation

Nature of shares	Before the change		Change (Share)	After the change	
	Number of shares (Share)	Proportion (%)		Number of shares (Share)	Proportion (%)
I. Circulating shares subject to selling restrictions	207,892,024	23.83	-25,582	207,866,442	23.82
Locked shares held by senior management	203,369,674	23.31	0	203,369,674	23.31
Restricted shares under the incentive scheme	4,522,350	0.52	-25,582	4,496,768	0.52
II. Circulating shares not subject to selling restrictions	664,617,066	76.17	0	664,617,066	76.18
RMB ordinary shares (A shares)	541,492,266	62.06	0	541,492,266	62.06
Overseas-listed foreign shares (H shares)	123,124,800	14.11	0	123,124,800	14.11
III. Total number of shares	872,509,090	100	-25,582	872,483,508	100

III. Effect of the Repurchase and Cancellation on the Company

The repurchase and cancellation will not have any material impact on the financial position and operating results of the Company without prejudice to the interests of the Company and its shareholders (“**Shareholders**”). The management of the Company will continue to work diligently and strive to create value for Shareholders.

IV. Opinions of Independent Non-Executive Directors

The independent non-executive Directors unanimously agreed that the Company shall repurchase and cancel the restricted Shares granted to three incentive participants who have resigned but not yet unlocked in accordance with the relevant provisions of the Administrative Measures on Share Incentives of Listed Companies (the “**Administrative Measures**”) and the Incentive Scheme (Draft). The partial repurchase and cancellation of the restricted Shares by the Company are in compliance with the relevant requirements of the Company Law, the Administrative Measures and other laws and regulations. The procedures of consideration and approval are legal and compliant, and will not have any material impact on the financial position and operating results of the Company, nor prejudice the interests of the Company and the Shareholders.

V. Opinions of Supervisory Committee

Upon verification, the Supervisory Committee is of the view that, as of the date of the meeting, three incentive participants who have resigned were no longer qualified for the incentives, and a total of 25,582 restricted Shares granted to them which have not been released from selling restrictions shall be repurchased and cancelled. In accordance with the relevant provisions of the Incentive Scheme (Draft) and the authorisation of the 2019 first extraordinary general meeting of the Company, the Board considered that the procedures for the partial repurchase and cancellation of the restricted Shares are in compliance with the laws and regulations and the relevant provisions of the Incentive Scheme (Draft). Therefore, the Supervisory Committee unanimously agreed with the Board to proceed with the matters in relation to the partial repurchase and cancellation of the restricted Shares.

VI. Conclusion of the Legal Opinion

Jia Yuan Law Offices are of the view that the repurchase and cancellation has obtained the necessary authorisation and approval at the current stage, which is in compliance with the relevant provisions of the Administrative Measures and the Incentive Scheme (Draft). The repurchase and cancellation is subject to the approval at the general meeting of the Company. The reasons for, number of and price of the repurchase and cancellation are in compliance with the relevant provisions of the Administrative Measures and the Incentive Scheme (Draft) and are legal and valid.

The resolution on the partial repurchase and cancellation of the restricted Shares is subject to the consideration and approval by special resolution at the general meeting, the A share class meeting and the H share class meeting of the Company.

PROPOSED CHANGE OF THE REGISTERED CAPITAL OF THE COMPANY

Given that the Company has issued additional 16,059,700 overseas listed foreign shares (“**H shares**”) on the Main Board of the Hong Kong Stock Exchange on September 2, 2020; and given that the three incentive participants under the 2019 Restricted Share Incentive Scheme of the Company have resigned and are no longer qualified for the incentives, the Company shall repurchase and cancel 25,582 restricted Shares granted to the aforesaid incentive participants but not yet unlocked. Pursuant to the relevant requirements of the Company Law and the Articles of Association, the registered capital of the Company and the total number of shares of the Company shall be changed as a result of the aforesaid matters. The total number of shares of the Company will be changed from 856,449,390 shares to 872,483,508 shares and the registered capital of the Company will be changed from RMB856,449,390 to RMB872,483,508. As a result of the changes of the registered capital of the Company above, the Board proposed to change the registered capital of the Company from RMB856,449,390 (divided into 856,449,390 shares) to RMB872,483,508 (divided into 872,483,508 shares).

The proposed change of the registered capital of the Company is subject to approval of the special resolution by the Shareholders at the extraordinary general meeting (the “**EGM**”), A share class meeting and H share class meeting of the Company.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In view of the changes of the registered capital of the Company and for the purpose of improving the corporate governance of the Company, the Board proposed to make the following amendments to the relevant provisions of the Articles of Association:

Original articles	Amended articles
<p>Article 6 The registered capital of the Company is RMB856,449,390.</p>	<p>Article 6 The registered capital of the Company is RMB856,449,390 <u>872,483,508</u>.</p>
<p>Article 22 The Company was approved by the CSRC on July 3, 2012 to conduct initial public offering of 13.40 million RMB ordinary shares (hereinafter referred to as the “A Shares”).</p> <p>The Company issued 107,065,100 H Shares to overseas investors on June 22, 2020 upon approval of the CSRC. After the abovementioned issuance, the total number of shares of the Company is 856.449390 million, all being ordinary shares, including 749,384,290 shares held by shareholders of domestic listed domestic shares (A Shares), accounting for about 87.50% of the total share capital of the Company; 107,065,100 shares held by overseas listed foreign shares (H Shares) shareholders, accounting for approximately 12.50% of the total share capital of the Company.</p>	<p>Article 22 The Company was approved by the CSRC on July 3, 2012 to conduct initial public offering of 13.40 million RMB ordinary shares (hereinafter referred to as the “A Shares”).</p> <p>The Company issued 107,065,100 H Shares to overseas investors on June 22, 2020 upon approval of the CSRC. After the abovementioned issuance, the total number of shares of the Company is 856.449390 million, all being ordinary shares, including 749,384,290 <u>749,358,708</u> shares held by shareholders of domestic listed domestic shares (A Shares), accounting for about 87.50% <u>85.89%</u> of the total share capital of the Company; 107,065,100 <u>123,124,800</u> shares held by overseas listed foreign shares (H Shares) shareholders, accounting for approximately 12.50% <u>14.11%</u> of the total share capital of the Company.</p>

Save for the proposed amendments, other provisions of the Articles of Association shall remain unchanged. The proposed amendments to the Articles of Association are prepared in Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

The proposed amendments to the Articles of Association are subject to the approval of the special resolution by the Shareholders at the EGM. The Board has resolved to propose a resolution at the general meeting to authorise the Board to delegate the management of the Company to handle the approval and filing procedures with relevant regulatory authorities involved in such amendments, and to make adjustments to the wordings of such amendments to the Articles of Association according to opinions of the regulatory authorities.

GENERAL

A circular containing, among others, (i) proposed partial repurchase and cancellation of the 2019 Restricted A Shares; (ii) proposed change of the registered capital of the Company; (iii) proposed amendments to the Articles of Association; and (iv) notices convening the EGM and the class meetings will be despatched to Shareholders as and when appropriate.

By order of the Board
Hangzhou Tigermed Consulting Co., Ltd.
Ye Xiaoping
Chairman

Hong Kong, October 29, 2020

As at the date of this announcement, the executive Directors of the Company are Dr. Ye Xiaoping, Ms. Cao Xiaochun and Ms. Yin Zhuan; the independent non-executive Directors are Mr. Zheng Bijun, Dr. Yang Bo and Mr. Liu Kai Yu Kenneth.