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CHANGE OF MANAGING DIRECTOR AND RE-DESIGNATION OF DIRECTOR

The Board announces the following changes in the directorship of the Company:

1. Mr. SHI Shaobin has discontinued to act as the managing director of the Company on 1 February 2017 and Mr. FANG Wen Quan has been appointed as the managing director of the Company with effect from 1 February 2017.
2. Mr. SHI Shaobin has been re-designated from an executive director to a non-executive director of the Company with effect from 1 February 2017.

The board (the **Board**) of directors (the **Directors**) of Tianda Pharmaceuticals Limited (the **Company**) hereby announces that:

1. Mr. SHI Shaobin (**Mr. SHI**) has discontinued to act as the managing director of the Company (**MD**) on 1 February 2017 and Mr. FANG Wen Quan (**Mr. FANG**) has been appointed as the MD with effect from 1 February 2017; and
2. Mr. SHI has been re-designated from an executive director to a non-executive director of the Company (**NED**) with effect from 1 February 2017.

APPOINTMENT OF MANAGING DIRECTOR

Mr. FANG has appointed as an executive director of the Company (**ED**) since 6 October 2003, Mr. FANG is currently the chairman of Tianda Group Limited, the controlling shareholder of the Company, (holding 1,194,971,370 shares of the Company). Mr. FANG as the existing chairman of the board of directors, general manager and authorized representative of Tianda Culture Holdings (China) Limited (listed on the National Equities Exchange and Quotations System in Shenzhen, Company Code: 837889). Apart from the chairman of the Board, an ED, the chairman of nomination committee and a member of the remuneration and risk management committees, he does not have any relationships with any other Directors, senior management or substantial and controlling shareholders (as defined in the Rules (the **Listing Rules**) Governing the Listing of Securities on the Stock Exchange (the **Stock Exchange**)) of the Company. Save as disclosed above, Mr. FANG has not held any directorship in other listed companies during the past three years.

Save for the interest in the shares of the Company through Tianda Group Limited as disclosed above, Mr. FANG does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. FANG had signed an appointment letter with the Company for acting as an ED commencing from 1 April 2016, which will end on the date of 31 March 2018. He is paid a director's fee of HK\$60,000 per annum. There is no employment agreement or contract between the Company and Mr. FANG for acting as the MD. Mr. FANG will not receive remuneration from the Company for being the MD, but the expenses incurred in connection with his discharge of duties as the MD will be borne by the Company.

Save as disclosed above, Mr. FANG has confirmed that there are no other matters that need to be brought to the attention of the shareholders of the Company in connection with his appointment as the MD should be disclosed pursuant to Rule 13.51(2), except for the Company will enable to not comply with the code provision A.2.1 of separating the roles of the Chairman and Chief Executive Officer under the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

RE-DESIGNATION OF DIRECTOR

The Board announces that Mr. SHI has been re-designated from ED to NED with effect from 1 February 2017.

Mr. SHI had been the MD of the Company during the period from 3 August 2015 to 31 January 2017. In the last three years preceding the date of this announcement, Mr. SHI had held the chairman of Guangzhou Pearl River Piano Group Co., Ltd, a company listed on the Shenzhen Stock Exchange (stock code: 002678) were his resignation on 22 March 2014. Mr. SHI currently acts as the chairman of 廣州電子商務網 (Guangzhou Electronic Commerce Network). He also serves in numerous public bodies including representative of the Twelfth of Guangdong Provincial People's Congress, executive director of 廣東省中醫藥協會 (Guangdong Province Traditional Chinese Medicine Association), director of Chinese Medical Association and vice president of 廣東省青年企業家協會 (Guangdong Province Young Entrepreneurs' Association).

Mr. SHI had signed an appointment letter with the Company for acting as the NED commencing from 1 February 2017, which will end on the date of 31 January 2019 and is subject to retirement by rotation at least once every three years pursuant to the Articles of Association of the Company. Pursuant to the appointment letter, Mr. SHI will receive remuneration as HK\$72,000 per annum from the Company for being a NED, but the expenses incurred in connection with his discharge of duties as a NED will borne by the Company.

Mr. SHI does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. He does not hold any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no other information required to be disclosed by Mr. SHI pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on the Stock Exchange and there is no other matter that needs to be brought to the attention of the shareholders of the Company in relation to the re-designation of Mr. SHI as NED.

By order of the Board
Tianda Pharmaceuticals Limited
FANG Wen Quan
Chairman

Hong Kong, 25 January 2017

As at the date of this announcement, the executive Directors are Mr. FANG Wen Quan (Chairman), Mr. SHI Shaobin (Managing Director) and Mr. LUI Man Sang, the non-executive Directors are Mr. SHEN Bo and Mr. FENG Quanming, and the independent non-executive Directors are Mr. LAM Yat Fai, Mr. CHIU Sung Hong and Mr. CHIU Fan Wa.