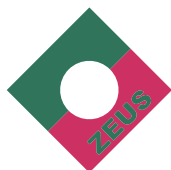


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Zhongzhi Pharmaceutical Holdings Limited **中智藥業控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3737)

APPOINTMENT OF DIRECTORS AND MEMBERS OF REMUNERATION AND NOMINATION COMMITTEES

The board (the “**Board**”) of directors (the “**Directors**”) of Zhongzhi Pharmaceutical Holdings Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) announces the following changes to the Board with effect from 14 May 2018:

- (i) Mr. Lai Ying Feng (“**Mr. Lai**”) has been appointed as an executive Director and a member of the remuneration committee (“**Remuneration Committee**”) and a member of the nomination committee (“**Nomination Committee**”) of the Company; and
- (ii) Mr. Yang Ai Xing (“**Mr. Yang**”) has been appointed as a non-executive Director.

MR. LAI YING FENG

Mr. Lai, aged 27, is the son of Mr. Lai Zhi Tian, an executive Director and Ms. Jiang Li Xia, a non-executive Director. He joined the Group since April 2014 and has served as the counter director, the director of the Huochuang division* (夥創事業部) and the deputy director of the Hongguan division* (紅冠事業部) and brand center of Zhongshan Zhongzhi Pharmaceutical Group Co., Ltd.* (中山市中智藥業集團有限公司), a subsidiary of the Company, taking charge of brand management, promotion and marketing activities. Since July 2016, Mr. Lai has also served as a director of that subsidiary, mainly responsible for organizing the formulation of business plan of the Company, investment and financing plan, and making decisions on major issues. Mr. Lai has extensive experience in strategic management, marketing business management, team management, brand management and promotion, system building for regulation management and system building for process management, etc. He is

particularly good at building, forging, and managing business teams. In July 2014, Mr. Lai obtained a bachelor's degree in economics from the Faculty of Arts and Social Sciences at Simon Fraser University in Canada and obtained a qualification certificate for the secretary of the board. Since April 2016, Mr. Lai has also been the vice president of the 1st Youth Entrepreneurs Association of Zhongshan Torch Hi-tech Industrial Development Zone* (第一屆中山火炬高技術產業開發區青年企業家協會).

Mr. Lai has entered into a service agreement with the Company for a term of three years commencing on 14 May 2018 and shall continue thereafter until terminated by either party by giving not less than three months' notice in writing at any time after such initial fixed term to the other and he is subject to retirement from office and eligible for re-election at the forthcoming annual general meeting of the Company in accordance with the articles of association of the Company.

Pursuant to the service agreement, Mr. Lai is entitled to HK\$300,000 per annum (excluding payment pursuant to any discretionary benefits or bonus, granting of share options, or other fringe benefits) for his appointment as an executive Director and may also be entitled to a discretionary bonus if so recommended by the Remuneration Committee and approved by the Board having regard to the operation results of the Group and his performance.

As at the date of this announcement, Mr. Lai holds 5,990,000 shares of the Company (as defined under Part XV of the Securities and Futures Ordinance). Save as disclosed above, Mr. Lai does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, (i) Mr. Lai did not hold any directorship in the past three years in other listed companies in Hong Kong or overseas; (ii) Mr. Lai does not hold any other position in the Company or any of its subsidiaries; (iii) Mr. Lai does not have any relationship with any other directors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries, or any of their respective associates; and (iv) there is no other information relating to Mr. Lai that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or any other matters that need to be brought to the attention of the shareholders of the Company in relation to the appointment of Mr. Lai.

MR. YANG AI XING

Mr. Yang, aged 51, obtained a Bachelor of Science degree in Chemistry from the Chemistry Department of Xiangtan University in 1988 and an executive MBA degree from the Royal Roads University in Canada in 2002.

From September 1988 to September 1995, Mr. Yang served as the technician, the deputy head of the quality control department, and the center chief chemist director of Zhuzhou Pharmaceutical Factory in Hunan Province* (湖南省株洲製藥廠). From October 1995 to January 2016, he served as the sales director, marketing director, vice president of marketing and group chief executive of Jiaduobao Holdings Limited* (加多寶集團有限公司). Since February 2016, he has been the managing partner of Shanghai Novich Positioning Investment Management Co., Limited* (上海諾偉其定位投資管理有限公司).

Mr. Yang has entered into a service agreement with the Company for a term of three years commencing on 14 May 2018 and shall continue thereafter until terminated by either party by giving not less than three months' notice in writing at any time after such initial fixed term to the other and he is subject to retirement from office and eligible for re-election at the forthcoming annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Yang does and will not receive director's fee as a non-executive Director.

Mr. Yang is deemed to be interested in 643,000 shares of the Company through his spouse (as defined under Part XV of the Securities and Futures Ordinance). Save as disclosed above, Mr. Yang does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, (i) Mr. Yang did not hold any directorship in the past three years in other listed companies in Hong Kong or overseas; (ii) Mr. Yang does not hold any other position in the Company or any of its subsidiaries; (iii) Mr. Yang does not have any relationship with any other directors, chief executives, senior management, substantial shareholders, controlling shareholders or management shareholders of the Company or any of its subsidiaries, or any of their respective associates; and (iv) there is no other information relating to Mr. Yang that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or any other matters that need to be brought to the attention of the shareholders of the Company in relation to the appointment of Mr. Yang.

The Board would like to express its warm welcome to Mr. Lai and Mr. Yang for joining the Company.

By order of the Board
Zhongzhi Pharmaceutical Holdings Limited
Mr. Lai Zhi Tian
Chairman and Executive Director

Hong Kong, 14 May 2018

As at the date of this announcement, the Board comprises nine Directors. The executive Directors are Mr. Lai Zhi Tian, Mr. Lai Ying Feng, Mr. Cao Xiao Jun and Mr. Cheng Jin Le. The non-executive Directors are Ms. Jiang Li Xia and Mr. Yang Ai Xing. The independent non-executive Directors are Mr. Ng Kwun Wan, Mr. Wong Kam Wah and Mr. Zhou Dai Han.

* *For identification purpose only*