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**BEIJING TONG REN TANG CHINESE MEDICINE COMPANY LIMITED**

北京同仁堂國藥有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 3613)**

**ANNOUNCEMENT  
CONTINUING CONNECTED TRANSACTIONS  
REGARDING RENEWAL OF  
THE EXCLUSIVE DISTRIBUTORSHIP FRAMEWORK AGREEMENTS**

**RENEWAL OF THE EXISTING EXCLUSIVE DISTRIBUTORSHIP FRAMEWORK AGREEMENTS**

Reference is made to the announcement of the Company dated 8 November 2017 in relation to, inter alia, the entering of the Existing TRT Tech Exclusive Distributorship Framework Agreement and the Existing TRT Ltd. Exclusive Distributorship Framework Agreement by the Company with each of Tong Ren Tang Technologies and Tong Ren Tang Ltd., respectively.

As each of the Existing Exclusive Distributorship Framework Agreements will expire after 31 December 2020, the Company entered into the New TRT Tech Exclusive Distributorship Framework Agreement with Tong Ren Tang Technologies and the New TRT Ltd. Exclusive Distributorship Framework Agreement with Tong Ren Tang Ltd. to extend the respective Continuing Connected Transactions for a further term of three years on 6 November 2020.

**LISTING RULES IMPLICATIONS**

Each of Tong Ren Tang Ltd. and Tong Ren Tang Technologies is a controlling shareholder of the Company, and is therefore a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the New Exclusive Distributorship Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) of the proposed new annual caps of the Continuing Connected Transactions exceed 5% and the new annual cap is more than HK\$10,000,000, the New Exclusive Distributorship Framework Agreements and the respective transactions contemplated thereunder are subject to reporting, announcement, annual review, as well as the independent shareholders' approval requirements under the Listing Rules.

With the approval of the Independent Board Committee, Somerley has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions.

A circular containing, among others, further details of the transactions contemplated under the New Exclusive Distributorship Framework Agreements, the respective advice of the Independent Financial Adviser and the Independent Board Committee and the notice of the EGM, will be despatched to the Shareholders on or before 27 November 2020.

## **RENEWAL OF THE EXISTING EXCLUSIVE DISTRIBUTORSHIP FRAMEWORK AGREEMENTS**

Reference is made to the announcement of the Company dated 8 November 2017 in relation to, inter alia, the entering of the Existing TRT Tech Exclusive Distributorship Framework Agreement and the Existing TRT Ltd. Exclusive Distributorship Framework Agreement by the Company with each of Tong Ren Tang Technologies and Tong Ren Tang Ltd., respectively.

The Group is the primary overseas distribution platform of the Parent Group and is the only member of the Parent Group solely distributing PRC manufactured “Tong Ren Tang” branded Chinese medicine products outside PRC. The renewal of the Existing Exclusive Distributorship Framework Agreements is to ensure the continuity of the exclusive distributorship arrangement outside PRC, which is of utmost importance to the Parent Group as well as the Group.

As each of the Existing Exclusive Distributorship Framework Agreements will expire after 31 December 2020, the Company entered into the New TRT Tech Exclusive Distributorship Framework Agreement with Tong Ren Tang Technologies and the New TRT Ltd. Exclusive Distributorship Framework Agreement with Tong Ren Tang Ltd. to extend the respective Continuing Connected Transactions for a further term of three years.

### **(i) The New TRT Tech Exclusive Distributorship Framework Agreement**

**Date** : 6 November 2020 (after trading hours)

**Parties** : (1) the Company  
(2) Tong Ren Tang Technologies

**Term** : The New TRT Tech Exclusive Distributorship Framework Agreement shall be for a term of three years from 1 January 2021 to 31 December 2023 (both days inclusive) and shall be effective upon the approval of the Independent Shareholders at the EGM.

- Major terms and conditions** :
- The Tong Ren Tang Technologies Group appoints TRT International Natural-Pharm, a wholly-owned subsidiary of the Company, as its sole overseas distributor for the distribution of the Relevant Products of the Tong Ren Tang Technologies Group in markets outside PRC.
  - Within the term of the New TRT Tech Exclusive Distributorship Framework Agreement and for the purpose of the overseas distribution of the Relevant Products of the Tong Ren Tang Technologies Group, TRT International Natural-Pharm will procure from the Tong Ren Tang Technologies Group, and the Tong Ren Tang Technologies Group shall supply to TRT International Natural-Pharm, the Relevant Products as agreed by the parties.
  - The Tong Ren Tang Technologies Group shall provide trainings on the Relevant Products of the Tong Ren Tang Technologies Group and the Company is responsible for the registration and promotion of Relevant Products in markets outside PRC.
  - Individual distribution agreement will be signed by members of the Tong Ren Tang Technologies Group and TRT International Natural-Pharm during the term of the New TRT Tech Exclusive Distributorship Framework Agreement to set out details of the quantity, price, specifications, standards, delivery time and settlement of the Relevant Products supplied, save as such individual distribution agreement shall be entered into on normal commercial terms as well as in accordance with the provisions of the New TRT Tech Exclusive Distributorship Framework Agreement.
- Pricing policy** :
- The price of the Relevant Products supplied by the Tong Ren Tang Technologies Group to TRT International Natural-Pharm shall not be higher than the wholesale price of the Relevant Products sold by the Tong Ren Tang Technologies Group to the wholesale customers in the PRC.
  - Payment of the price will be specified in individual distribution agreement to be signed between members of the Tong Ren Tang Technologies Group and TRT International Natural-Pharm.
  - TRT International Natural-Pharm shall obtain an updated wholesale price list and payment terms of the Relevant Products which they have offered to independent third parties from members of the Tong Ren Tang Technologies Group on a quarterly basis so as to determine whether the price and terms offered to TRT International Natural-Pharm are fair and reasonable and comparable to those they offered to their unrelated wholesale customers in the PRC. Members of the Tong Ren Tang Technologies Group shall also notify TRT International Natural-Pharm in case there is any material update of the said wholesale price list and payment terms of the Relevant Products from time to time.

**(ii) The New TRT Ltd. Exclusive Distributorship Framework Agreement**

**Date** : 6 November 2020 (after trading hours)

**Parties** : (1) the Company  
(2) Tong Ren Tang Ltd.

**Term** : The New TRT Ltd. Exclusive Distributorship Framework Agreement shall be for a term of three years from 1 January 2021 to 31 December 2023 (both days inclusive) and shall be effective upon the approval of the Independent Shareholders at the EGM.

**Major terms and conditions** : • The Tong Ren Tang Ltd. Group appoints TRT International Natural-Pharm, as its sole overseas distributor for the distribution of the Relevant Products of the Tong Ren Tang Ltd. Group in markets outside PRC.

• Within the term of the New TRT Ltd. Exclusive Distributorship Framework Agreement and for the purpose of the overseas distribution of the Relevant Products of the Tong Ren Tang Ltd. Group, TRT International Natural-Pharm will procure from the Tong Ren Tang Ltd. Group, and the Tong Ren Tang Ltd. Group shall supply to TRT International Natural-Pharm, the Relevant Products as agreed by the parties.

• The Tong Ren Tang Ltd. Group shall provide trainings on the Relevant Products of the Tong Ren Tang Ltd. Group and the Company is responsible for the registration and promotion of Relevant Products in markets outside PRC.

• Individual distribution agreement will be signed by members of the Tong Ren Tang Ltd. Group and TRT International Natural-Pharm during the term of the New TRT Ltd. Exclusive Distributorship Framework Agreement to set out details of the quantity, price, specifications, standards, delivery time and settlement of the Relevant Products supplied, save as such individual distribution agreement shall be entered into on normal commercial terms as well as in accordance with the provisions of the New TRT Ltd. Exclusive Distributorship Framework Agreement.

**Pricing policy** : • The price of the Relevant Products supplied by the Tong Ren Tang Ltd. Group to TRT International Natural-Pharm shall not be higher than the wholesale price of the Relevant Products sold by the Tong Ren Tang Ltd. Group to the wholesale customers in the PRC.

• Payment of the price will be specified in individual distribution agreement to be signed between members of the Tong Ren Tang Ltd. Group and TRT International Natural-Pharm.

- TRT International Natural-Pharm shall obtain an updated wholesale price list and payment terms of the Relevant Products which they have offered to independent third parties from members of the Tong Ren Tang Ltd. Group on a quarterly basis so as to determine whether the price and terms offered to TRT International Natural-Pharm are fair and reasonable and comparable to those they offered to their unrelated wholesale customers in the PRC. Members of the Tong Ren Tang Ltd. Group shall also notify TRT International Natural-Pharm in case there is any material update of the said wholesale price list and payment terms of the Relevant Products from time to time.

### Historical figures and proposed annual caps

Set out below is the aggregate historical amounts paid/payable by the Group in respect of its purchase of the Relevant Products for its distribution in markets outside PRC for the three years ended 31 December 2019 and nine months ended 30 September 2020 as well as the previous annual caps:

	Year ended 31 December						Nine months ended 30 September 2020 (HK\$ million) (Unaudited)	Year ending 31 December 2020 (HK\$ million)
	2017 (HK\$ million) (Audited)		2018 (HK\$ million) (Audited)		2019 (HK\$ million) (Audited)			
	Actual amounts	Historical Cap	Actual amounts	Historical Cap	Actual amounts	Historical Cap	Actual amounts	Historical Cap
Amounts paid/payable under the Existing TRT Tech Exclusive Distributorship Framework	48.8		35.9	58.4	31.5	76.4	28.5	99.2
Amounts paid/payable under the Existing TRT Ltd. Exclusive Distributorship	70.8							
Total paid/payable amounts	119.6		125.2	108.7	146.0	89.7	191.0	68.4

The proposed annual caps (exclusive of value-added tax in the PRC) under the New Exclusive Distributorship Framework Agreements for each of the three years ending 31 December 2021, 2022 and 2023 are set out below:

	<b>For the year ending 31 December</b>		
	<b>2021</b> <i>(HK\$ million)</i>	<b>2022</b> <i>(HK\$ million)</i>	<b>2023</b> <i>(HK\$ million)</i>
New TRT Tech Exclusive Distributorship Framework Agreement	53.7	61.8	71.0
New TRT Ltd. Exclusive Distributorship Framework Agreement	86.2	99.1	114.0
<b>Total proposed annual caps (exclusive of value-added tax in the PRC)</b>	<b>139.9</b>	<b>160.9</b>	<b>185.0</b>

The proposed annual caps set out above are determined based on the following factors which are applicable to both of the New Exclusive Distributorship Framework Agreements:

- (a) the historical figures of the relevant transactions and the historical annual caps as disclosed above;
- (b) the expected improving market conditions and the continuous increase in demand for the Relevant Products in markets outside PRC;
- (c) the expected increase in supply prices for the Relevant Products over the next three years as a result of the continuous increase in manufacturing costs, in particular, continuous increase in costs in labour and raw materials; and
- (d) a buffer for any unexpected increase in the aforesaid transaction volume amount (as a result of any unexpected increase in market demand for the Relevant Products) or unexpected increase in the cost of supply or a change in exchange rate.

Such projection is assumed solely for determining the annual caps and shall not be regarded as any indication directly or indirectly as to the respective revenue, profitability or trading prospects of the Group and of the Tong Ren Tang Technologies Group or the Tong Ren Tang Ltd. Group.

### **Reasons and Benefits for the Continuing Connected Transactions**

The transactions contemplated under the New Exclusive Distributorship Framework Agreements are expected to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group.

The Directors consider that securing a long-term business relationship with the Tong Ren Tang Ltd. Group and the Tong Ren Tang Technologies Group who have reputable business associated with profound experience in the Chinese medicine industry in the PRC is beneficial to the Group. The increased co-operation would be expected to bring considerable and stable contribution to the Group's revenue and profitability in the long run. Accordingly, the entering into the New Exclusive Distributorship Framework Agreements is in the interests of the Company and the Shareholders as a whole.

The Directors (excluding the independent non-executive Directors who will provide their advice after having received the advice from the Independent Financial Adviser) are of the view that the New Exclusive Distributorship Framework Agreements (including the caps thereunder) (i) have been negotiated on an arm's length basis; (ii) have been conducted and will continue to be conducted on normal commercial terms, or on terms no less favourable than those available to or from independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; and (iv) are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **MEASURES OF INTERNAL CONTROL**

To ensure the Group's conformity with the above-mentioned pricing policies in relation to the Continuing Connected Transactions, the Group adopts the following internal control policies for its daily operation:

- (i) the relevant business departments of the Group are responsible for specific implementation and supervision of the Continuing Connected Transactions, so as to ensure that such transactions are conducted in accordance with the terms of the New Exclusive Distributorship Framework Agreements;
- (ii) the finance department of the Company is responsible for monitoring, collecting and evaluating the detailed information of the Continuing Connected Transactions (including but not limited to the payment arrangements and actual transaction amount under each of the specific implementation agreements) on a regular basis, so as to ensure that the amount of the transactions does not exceed the established annual cap. If there is any imminent or possible exceeding of the annual caps of the Continuing Connected Transactions, the relevant business departments shall report as soon as possible to the finance department and compliance department of the Company to determine the necessity to revise the annual caps on a timely basis. If the compliance department confirms the necessity to revise the annual caps, the relevant business departments shall propose the revised annual caps and reasons for adjustment, and relevant approval and disclosure procedures shall be implemented as soon as practicable. Prior to the compliance of all of the approval and disclosure procedures, the relevant business departments involved in the Continuing Connected Transactions shall closely monitor, and ensure that the transaction amounts do not exceed the annual caps;
- (iii) the Company shall regularly provide relevant business departments with trainings on requirements for continuing connected transactions under the Listing Rules so as to ensure the adequacy of relevant staff's qualifications and experience;
- (iv) as mentioned above, TRT International Natural-Pharm shall procure an updated wholesale price list and payment terms of the Relevant Products which the Tong Ren Tang Technologies Group and the Tong Ren Tang Ltd. Group have offered to independent third parties from members of the Tong Ren Tang Technologies Group and the Tong Ren Tang Ltd. Group on a quarterly basis so as to determine whether that the price and terms offered to TRT International Natural-Pharm are fair and reasonable and comparable to those they offered to their unrelated wholesale customers in the PRC. Members of the Tong Ren Tang Technologies Group and the Tong Ren Tang Ltd. Group shall also notify TRT International Natural-Pharm in case there is any material update of the said wholesale price list and payment terms of the Relevant Products from time to time;

- (v) the independent non-executive Directors and the auditor of the Company will also on a regular basis be provided with the (i) the New Exclusive Distributorship Framework Agreements; (ii) sales contracts entered into between the Tong Ren Tang Technologies Group or the Tong Ren Tang Ltd. Group and independent third parties for the supply of the Relevant Products; (iii) individual distribution agreements entered into between the Group and the Tong Ren Tang Technologies Group or the Tong Ren Tang Ltd. Group (as the case may be); and (iv) the quarterly updated wholesale price lists and payment terms of the Relevant Products;
- (vi) the independent non-executive Directors have reviewed and will continue to review and compare the relevant payment terms, payment method and price payable under these agreements and sales contracts to ensure that the transactions contemplated under the New Exclusive Distributorship Framework Agreements are conducted on normal commercial terms, are fair and reasonable, are comparable to those entered into between the Tong Ren Tang Technologies Group or the Tong Ren Tang Ltd. Group (as the case may be) and independent third parties and are carried out pursuant to the terms of such agreements; and
- (vii) the auditor of the Company has reviewed and will also continue to conduct annual review on the pricing and annual caps of Continuing Connected Transactions and confirm the transactions contemplated under the New Exclusive Distributorship Framework Agreements are conducted in accordance with the terms of the New Exclusive Distributorship Framework Agreements.

## **LISTING RULES IMPLICATIONS**

Each of Tong Ren Tang Ltd. and Tong Ren Tang Technologies is a controlling shareholder of the Company, and is therefore a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under each of the New Exclusive Distributorship Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) of the proposed new annual caps of the Continuing Connected Transactions exceed 5% and the new annual cap is more than HK\$10,000,000, the New Exclusive Distributorship Framework Agreements and the respective transactions contemplated thereunder are subject to the reporting, announcement, annual review, as well as the independent shareholders' approval requirements under the Listing Rules.

Ms. Ding Yong Ling, who is the director and the deputy general manager of Tong Ren Tang Holdings, is considered to have material interests in the New Exclusive Distributorship Framework Agreements by virtue of her positions in Tong Ren Tang Holdings and has abstained from voting on the relevant resolutions in the Board meeting to approve such agreements. Save as disclosed, there is no other Director who has a material interest in the transactions contemplated under the New Exclusive Distributorship Framework Agreements.

With the approval of the Independent Board Committee, Somerley has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions.

A circular containing, among others, further details of the transactions contemplated under the New Exclusive Distributorship Framework Agreements, the respective advice of the independent financial adviser and the Independent Board Committee of the Company and the notice of the EGM, will be despatched to the Shareholders on or before 27 November 2020.



## GENERAL INFORMATION

### *The Company*

The Company is principally engaged in manufacturing, retail and wholesale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatment.

### *Tong Ren Tang Technologies*

Tong Ren Tang Technologies is principally engaged in the manufacturing and sale of Chinese medicines.

### *Tong Ren Tang Ltd.*

Tong Ren Tang Ltd. is principally engaged in the manufacturing and sale of Chinese medicines.

### *TRT International Natural-Pharm*

TRT International Natural-Pharm is principally engaged in the sale and distribution of Chinese medicines and healthcare products.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set out below:

“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Beijing Tong Ren Tang Chinese Medicine Company Limited, a limited company incorporated in Hong Kong, the shares of which were listed on GEM of the Exchange on 7 May 2013 and were transferred to the Main Board of the Exchange on 29 May 2018
“connected persons”	has the meaning ascribed thereto under the Listing Rules
“Continuing Connected Transactions”	collectively, the TRT Tech Continuing Connected Transactions and the TRT Ltd. Continuing Connected Transactions
“controlling shareholder”	has the meaning ascribed under the Listing Rules
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the New Exclusive Distributorship Framework Agreements and the new annual caps contemplated thereunder

“Existing Exclusive Distributorship Framework Agreements”	collectively, the Existing TRT Ltd. Exclusive Distributorship Framework Agreement and the Existing TRT Tech Exclusive Distributorship Framework Agreement
“Existing TRT Ltd. Exclusive Distributorship Framework Agreement”	the exclusive distributorship framework agreement dated 8 November 2017 entered into between the Company and Tong Ren Tang Ltd. in relation to the distribution of the Relevant Products of the Tong Ren Tang Ltd. Group in markets outside PRC
“Existing TRT Tech Exclusive Distributorship Framework Agreement”	the exclusive distributorship framework agreement dated 8 November 2017 entered into between the Company and Tong Ren Tang Technologies in relation to the distribution of the Relevant Products of the Tong Ren Tang Technologies Group in markets outside PRC
“GEM”	GEM operated by the Stock Exchange
“Group”	the Company, its subsidiaries (either directly owned or indirectly owned) and its associates
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors, namely Mr. Tsang Yok Sing, Jasper, Mr. Zhao Zhong Zhen and Mr. Chan Ngai Chi, formed for the purpose of advising the Independent Shareholders in respect of the New Exclusive Distributorship Framework Agreements (including the new annual caps)
“Independent Shareholders”	Shareholders other than the Parent Group
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Main Board”	the stock market operated by the Stock Exchange, which exclude, the option market and which continues to be operated by the Stock Exchange in parallel with GEM and which, for avoidance of doubt, excludes GEM
“New Exclusive Distributorship Framework Agreements”	collectively, the New TRT Tech Exclusive Distributorship Framework Agreement and the New TRT Ltd. Exclusive Distributorship Framework Agreement
“New TRT Ltd. Exclusive Distributorship Framework Agreement”	the exclusive distributorship framework agreement dated 6 November 2020 entered into between the Company and Tong Ren Tang Ltd. in relation to the distribution of the Relevant Products of the Tong Ren Tang Ltd. Group in markets outside PRC

“New TRT Tech Exclusive Distributorship Framework Agreement”	the exclusive distributorship framework agreement dated 6 November 2020 entered into between the Company and Tong Ren Tang Technologies in relation to the distribution of the Relevant Products of the Tong Ren Tang Technologies Group in markets outside PRC
“Parent Group”	Tong Ren Tang Holdings, Tong Ren Tang Ltd., Tong Ren Tang Technologies and their respective associates (excluding the Group)
“PRC”	the People's Republic of China and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Relevant Products”	the “Tong Ren Tang” branded products and/or Chinese medicine products supplied by the Tong Ren Tang Ltd. Group or the Tong Ren Tang Technologies Group to TRT International Natural-Pharm under the New Exclusive Distributorship Framework Agreements for the purpose of the distribution or production in the markets outside PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the shares of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Somerley” or “Independent Financial Adviser”	Somerley Capital Limited, a corporation licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the New Exclusive Distributorship Framework Agreements (including the new annual caps)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TRT Tech Continuing Connected Transactions”	the continuing connected transactions which have been and will continue to be entered into between the Group and the Tong Ren Tang Technologies Group, details of which are set out in the paragraph headed “Renewal of the Existing Exclusive Distributorship Framework Agreements – (i) The New TRT Tech Exclusive Distributorship Framework Agreement” of this announcement
“Tong Ren Tang Group”	Tong Ren Tang Holdings, its subsidiaries (either directly owned or indirectly owned), its jointly-controlled entities and its associates (other than Tong Ren Tang Technologies and its subsidiaries)

“Tong Ren Tang Holdings”	China Beijing Tong Ren Tang Group Co., Ltd., a state-owned enterprise established in the PRC on 17 August 1992 and is the ultimate controlling shareholder of the Company
“Tong Ren Tang Ltd.”	Beijing Tong Ren Tang Company Limited, a joint stock limited company established in the PRC on 18 June 1997, the shares of which have been listed on the Shanghai Stock Exchange since 1997, and is the intermediate holding company of the Company
“Tong Ren Tang Ltd. Group”	Tong Ren Tang Ltd., its subsidiaries (either directly owned or indirectly owned) and its associates (other than the Tong Ren Tang Technologies Group and the Group)
“Tong Ren Tang Technologies”	Tong Ren Tang Technologies Co. Ltd., a joint stock limited company established in the PRC on 22 March 2000, the H shares of which have been listed on GEM since 2000 and have been transferred to the Main Board since July 2010, and is the immediate holding company of the Company
“Tong Ren Tang Technologies Group”	Tong Ren Tang Technologies, its subsidiaries (either directly owned or indirectly owned) and its associates (other than the Group)
“TRT Ltd. Continuing Connected Transactions”	the continuing connected transactions which have been and will continue to be entered into between the Group and the Tong Ren Tang Ltd. Group, details of which are set out in the paragraph headed “Renewal of the Existing Exclusive Distributorship Framework Agreements – (ii) The New TRT Ltd. Exclusive Distributorship Framework Agreement” of this announcement
“TRT International Natural-Pharm”	Beijing Tong Ren Tang International Natural-Pharm Co., Ltd, a company incorporated in the PRC with limited liability on 6 March 2006 and a wholly-owned subsidiary of the Company

By order of the Board  
**Beijing Tong Ren Tang**  
**Chinese Medicine Company Limited**  
**Ding Yong Ling**  
*Chairman*

Hong Kong, 6 November 2020

*As at the date of this announcement, the Board comprises the executive directors, namely Ms. Ding Yong Ling (Chairman), Mr. Zhang Huan Ping and Ms. Lin Man; the non-executive director, namely Mr. Chen Fei; and the independent non-executive directors, namely Mr. Tsang Yok Sing, Jasper, Mr. Zhao Zhong Zhen and Mr. Chan Ngai Chi.*