

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

SUPPLEMENTAL ANNOUNCEMENT TO ANNUAL REPORT 2020

Reference is made to the annual report of Beijing Tong Ren Tang Chinese Medicine Company Limited (the **“Company”**, together with its subsidiaries, the **“Group”**) for the year ended 31 December 2020 (the **“Annual Report 2020”**). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Annual Report 2020. This announcement is made at the request of The Stock Exchange of Hong Kong Limited to provide certain information to the Annual Report 2020 in relation to the repayment status of certain receivables of the Company during the year ended 31 December 2020.

As disclosed under Note 3(a)(ii)(2) to the Notes to the Consolidated Financial Statements of the Annual Report 2020, the Group had recorded an amount of HK\$187,570,000 from certain subsidiaries, jointly-controlled entities and associates (other than the Group) of China Beijing Tong Ren Tang Group Co., Ltd (the ultimate controlling shareholder of the Company) (collectively, the **“TRT Group”**) which were past due as at 31 December 2020 (the **“Overdue Receivables”**). The Directors are of the view that the Overdue Receivables did not pose significant credit risks to the Group given the Group has implemented stringent internal control measures. Furthermore, the Group had established a long business relationship with members of the TRT Group and there had not been any history of defaults from the TRT Group. Therefore, the Directors are of the view that the Overdue Receivables did not have a material adverse impact on the Group’s operation and financial position.

The Board is pleased to announce that, as at the date of this announcement, all of the Overdue Receivables had been settled by the relevant members of the TRT Group.

The Company had proactively taken actions in relation to the collection of the Overdue Receivables, including but not limited to:

- (1) discussed with relevant members of the TRT Group to understand the circumstances leading to the Overdue Receivables;
- (2) issued formal demand letters to relevant members of the TRT Group in respect of the Overdue Receivables in November 2021, among others, the Company had requested the relevant members of the TRT Group to repay all Overdue Receivables immediately and failing which the Company would institute legal proceedings;

- (3) discussed with the finance department, on a regular basis, the status of the collection of the Overdue Receivables and with the legal department as to the potential legal action that the Group could take; and
- (4) assessed the credit risks associated with relevant members of the TRT Group and to formulate appropriate collection strategies and plans.

The additional information set out above does not affect other information contained in the Annual Report 2020.

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

Hong Kong, 31 December 2021

As at the date of this announcement, the composition of the Board is as follows:

Executive Directors:

Ms. Ding Yong Ling (Chairman)
Mr. Chen Fei
Ms. Lin Man

Independent Non-executive Directors:

Mr. Tsang Yok Sing, Jasper
Mr. Zhao Zhong Zhen
Mr. Chan Ngai Chi