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**Tong Ren Tang Technologies Co. Ltd.**  
**北京同仁堂科技发展股份有限公司**

*( a joint stock limited company incorporated in the People's Republic of China with limited liability )*  
(Stock Code: 1666)

**ANNOUNCEMENT ON RESULTS OF SUBSIDIARY**

Reference is made to the announcement (the “**Announcement**”) dated 9 March 2022 published by Beijing Tong Ren Tang Chinese Medicine Company Limited (“**Tong Ren Tang Chinese Medicine**”), a subsidiary of Tong Ren Tang Technologies Co. Ltd. (the “**Company**”), whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 3613), in relation to the annual results of Tong Ren Tang Chinese Medicine and its subsidiaries for the year ended 31 December 2021.

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company would like to draw the attention of its shareholders and the public investors to the following audited financial information of Tong Ren Tang Chinese Medicine and its subsidiaries for the year ended 31 December 2021 as set out in the Announcement.

## CONSOLIDATED INCOME STATEMENT

	Year ended 31 December	
	2021	2020
	HK\$'000	HK\$'000
Revenue	1,556,158	1,315,346
Cost of sales	<u>(436,535)</u>	<u>(362,443)</u>
<b>Gross profit</b>	<b>1,119,623</b>	<b>952,903</b>
Distribution and selling expenses	(186,368)	(168,917)
General and administrative expenses and others		
- General and administrative expenses	(155,312)	(135,534)
- Net impairment losses on financial assets	(7,522)	(3,327)
Other gains, net	<u>8,039</u>	<u>24,278</u>
<b>Operating profit</b>	<b>778,460</b>	<b>669,403</b>
Finance income	4,377	21,652
Finance costs	<u>(4,707)</u>	<u>(4,300)</u>
Finance (costs)/income, net	<b>(330)</b>	<b>17,352</b>
Share of profits/(losses) of investments accounted for using the equity method	<u>261</u>	<u>(860)</u>
<b>Profit before income tax</b>	<b>778,391</b>	<b>685,895</b>
Income tax expense	<u>(126,848)</u>	<u>(118,014)</u>
<b>Profit for the year</b>	<b><u>651,543</u></b>	<b><u>567,881</u></b>
<b>Profit attributable to:</b>		
Owners of the Company	607,838	542,456
Non-controlling interests	<u>43,705</u>	<u>25,425</u>
	<b><u>651,543</u></b>	<b><u>567,881</u></b>
<b>Earnings per share attributable to owners of the Company for the year</b> (expressed in HK\$ per share)		
<b>Basic and diluted earnings per share</b>	<b><u>0.73</u></b>	<b><u>0.65</u></b>

# **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Profit for the year</b>	<b>651,543</b>	<b>567,881</b>
<b>Other comprehensive (losses)/income:</b>		
<i>Item that may be reclassified to profit or loss</i>		
Currency translation differences	(635)	15,474
<i>Item that will not be reclassified to profit or loss</i>		
Change in fair value of financial asset at fair value through other comprehensive income	(645)	(4,875)
<b>Other comprehensive (losses)/income for the year</b>	<b>(1,280)</b>	<b>10,599</b>
<b>Total comprehensive income for the year</b>	<b>650,263</b>	<b>578,480</b>
<b>Attributable to:</b>		
Owners of the Company	607,857	550,521
Non-controlling interests	42,406	27,959
<b>Total comprehensive income for the year</b>	<b>650,263</b>	<b>578,480</b>

## CONSOLIDATED BALANCE SHEET

	As at 31 December	
	2021	2020
	HK\$'000	HK\$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	183,309	187,379
Right-of-use assets	214,255	194,442
Intangible assets	60,953	54,836
Investments accounted for using the equity method	57,896	17,763
Financial asset at fair value through other comprehensive income	5,463	6,108
Deposits paid for purchase of property, plant and equipment and intangible assets	14,245	10,430
Deferred income tax assets, net	22,050	13,064
	<u>558,171</u>	<u>484,022</u>
<b>Current assets</b>		
Inventories	431,865	495,378
Trade receivables and other current assets	569,378	590,432
Short-term bank deposits	615,264	421,097
Cash and cash equivalents	1,660,304	1,426,040
	<u>3,276,811</u>	<u>2,932,947</u>
<b>Total assets</b>	<u><u>3,834,982</u></u>	<u><u>3,416,969</u></u>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	938,789	938,789
Reserves		
- Other reserves	(25,167)	(18,917)
- Retained earnings	2,504,551	2,097,617
	<u>3,418,173</u>	<u>3,017,489</u>
<b>Non-controlling interests</b>	<u>121,331</u>	<u>112,021</u>
<b>Total equity</b>	<u>3,539,504</u>	<u>3,129,510</u>

## CONSOLIDATED BALANCE SHEET (CONTINUED)

	As at 31 December	
	2021	2020
	HK\$'000	HK\$'000
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	799	2,052
Lease liabilities	74,475	63,095
Deferred income tax liabilities, net	7,147	5,696
	<u>82,421</u>	<u>70,843</u>
<b>Current liabilities</b>		
Borrowings	480	260
Trade and other payables	127,550	140,138
Lease liabilities	52,722	40,603
Current income tax liabilities	32,305	35,615
	<u>213,057</u>	<u>216,616</u>
<b>Total liabilities</b>	<u>295,478</u>	<u>287,459</u>
<b>Total equity and liabilities</b>	<u><u>3,834,982</u></u>	<u><u>3,416,969</u></u>

By order of the Board

**Tong Ren Tang Technologies Co. Ltd.**

**Gu Hai Ou**

*Chairman of the Board*

Beijing, the PRC

9 March 2022

*As at the date of this announcement, the Board comprises Mr. Gu Hai Ou, Mr. Wang Yu Wei and Ms. Feng Zhi Mei as executive Directors, Mr. Jin Tao, Mr. Ma Guan Yu and Ms. Guo Ya Qing as non-executive Directors, Mr. Ting Leung Huel, Stephen, Ms. Chan Ching Har, Eliza and Mr. Zhan Yuan Jing as independent non-executive Directors.*