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PROFIT ALERT

This announcement is made by Tianda Pharmaceuticals Limited (the Company, and together with its subsidiaries, the Group) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Listing Rules) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As stated in the announcement of the Company dated 25 November 2022, the financial year end date of the Company has been changed from 31 March to 31 December. In light of this change, the audited consolidated financial statements for the current period cover the nine-month period from 1 April 2022 to 31 December 2022 (the “Current Financial Period”) and the audited comparative figures cover the twelve-month period from 1 April 2021 to 31 March 2022 (the “Previous Financial Year”).

The board of directors of the Company wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessments on the Group’s unaudited consolidated management accounts for the Current Financial Period, the Group is expected to record a loss attributable to owners of the parent for the Current Financial Period ranging from HK\$39.0 million to HK\$43.0 million, as compared to the loss of HK\$19.8 million in the Previous Financial Year. Excluding R&D expenses and certain one-off gains and losses, the adjusted loss attributable to owners of the parent is expected to be reduced from HK\$23.0 million in the Previous Financial Year to ranging from HK\$2.5 million to HK\$6.5 million in the Current Financial Period. The related one-off gains and losses are as follows:

- (1) An one-off gain and related income tax credit recorded on the disposal of a subsidiary, Zhuhai Tianda Realty Limited, in the Previous Financial Year;
- (2) A goodwill impairment recorded in the Previous Financial Year;
- (3) Provision for slow-moving inventories of non-core products made in the Previous Financial Year and the Current Financial Period respectively; and

- (4) The Group re-examined and reduced the amortization life of intangible assets, resulting in additional amortization and an income tax credit in the Current Financial Period.

The Company is finalising the consolidated final results of the Group for the Current Financial Period. Hence, the information disclosed in this announcement only represents a preliminary assessment by the Board and the management of the Group based on the information currently available to the Board which includes, but without limitation to, the unaudited consolidated management accounts of the Group for the Current Financial Period. The unaudited consolidated final results of the Group may be subject to adjustments following further review by the Board. The information in this announcement has not been reviewed by the auditor of the Company or the audit committee of the Board.

The Board expects that the announcement of the final results of the Group for the Current Financial Period will be published on 23 March 2023 in compliance with the requirements under the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 17 March 2023

As at the date of this announcement, the executive directors are Mr. FANG Wen Quan (Chairman and 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.