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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 company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1666)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

The Board hereby announces that, as the Advertising Agency Framework Agreement entered into between Tong Ren Tang Century Advertising, a subsidiary of the Company, and Tong Ren Tang Holdings expired on 31 December 2022, the parties renewed such agreement on 22 March 2023 for a term from 1 January 2023 to 31 December 2025, and set the annual caps for the continuing connected transactions contemplated under the aforesaid agreement for the three years ending 31 December 2025.

As the TRTCM Advertising Agency Framework Agreement entered into between Tong Ren Tang Century Advertising and Tong Ren Tang Chinese Medicine, a connected subsidiary of the Company, also expired on 31 December 2022, the parties renewed such agreement on 22 March 2023 for a term of a period from 22 March 2023 to 31 December 2025, and set the annual caps for the continuing connected transactions contemplated under the aforesaid agreement for the three years ending 31 December 2025.

Tong Ren Tang Holdings is the ultimate controlling shareholder of the Company and is therefore a connected person of the Company under the Hong Kong Listing Rules. Tong Ren Tang Ltd. is the direct controlling shareholder of the Company, which holds approximately 46.85% equity interest in the Company. As at the date of this announcement, Tong Ren Tang Ltd. also directly holds approximately 33.62% equity interest in Tong Ren Tang Chinese Medicine, a non-wholly owned subsidiary of the Company. Pursuant to Rule 14A.16 of the Hong Kong Listing Rules, Tong Ren Tang Chinese Medicine constitutes a connected subsidiary of the Company. Accordingly, the transactions contemplated under the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

In view of (a) Tong Ren Tang Chinese Medicine is a member of Tong Ren Tang Group and a connected subsidiary of the Company, which is also a connected person of the Company, and (b) the proposed transaction under the TRTCM Advertising Agency Framework Agreement and the proposed transaction under the Advertising Agency Framework Agreement are of the same nature, the TRTCM Advertising Agency Framework Agreement is regarded as an agreement under the Advertising Agency Framework Agreement, and the annual caps of the proposed connected transactions contemplated under the TRTCM Advertising Agency Framework Agreement forms part of the annual caps of the proposed connected transactions under the Advertising Agency Framework Agreement.

As one or more of the applicable percentage ratios in respect of the estimated annual caps for the continuing connected transactions under the renewed Advertising Agency Framework Agreement (including the proposed annual caps of the proposed continuing connected transaction under the renewed TRTCM Advertising Agency Framework Agreement) exceed 0.1% but are all less than 5%, the renewed Advertising Agency Framework Agreement and the proposed annual caps for the continuing connected transactions contemplated thereunder are only subject to reporting, annual review and announcement requirements, but exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

BACKGROUND

Reference is made to (i) the announcement of the Company dated 28 February 2020 in relation to the continuing connected transactions contemplated under the Advertising Agency Framework Agreement between the Group and Tong Ren Tang Holdings, the ultimate controlling shareholder of the Company; and (ii) the announcement of the Company dated 28 April 2020 in relation to the continuing connected transactions contemplated under the TRTCM Advertising Agency Framework Agreement between the Group and Tong Ren Tang Chinese Medicine, a connected subsidiary of the Company.

As the Advertising Agency Framework Agreement entered into between Tong Ren Tang Century Advertising, a subsidiary of the Company, and Tong Ren Tang Holdings expired on 31 December 2022, the parties renewed such agreement on 22 March 2023, for a term of a period from 1 January 2023 to 31 December 2025, and set the annual caps for the continuing connected transactions contemplated under the aforesaid agreement for the three years ending 31 December 2025.

As the TRTCM Advertising Agency Framework Agreement entered into between Tong Ren Tang Century Advertising and Tong Ren Tang Chinese Medicine also expired on 31 December 2022, the parties renewed such agreement on 22 March 2023 for a term from 22 March 2023 to 31 December 2025, and set the annual caps for the continuing connected transactions contemplated under the aforesaid agreement for the three years ending 31 December 2025.

In view of (a) Tong Ren Tang Chinese Medicine is a member of Tong Ren Tang Group and a connected subsidiary of the Company, which is also a connected person of the Company, and (b) the proposed transaction under the TRTCM Advertising Agency Framework Agreement and the proposed transaction under the Advertising Agency Framework Agreement are of the same nature, the TRTCM Advertising Agency Framework Agreement is regarded as an agreement under the Advertising Agency Framework Agreement, and the annual caps of the proposed connected transactions contemplated under the TRTCM Advertising Agency Framework Agreement forms part of the annual caps of the proposed connected transactions under the Advertising Agency Framework Agreement.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

(A) Major Terms of the Renewed Advertising Agency Framework Agreement

Renewal Date: 22 March 2023

Parties: (i) Tong Ren Tang Century Advertising
(ii) Tong Ren Tang Holdings

Term of the Agreement: The renewed Advertising Agency Framework Agreement is for a term from 1 January 2023 to 31 December 2025.

Principal Terms and Conditions: Pursuant to the Advertising Agency Framework Agreement:

- Tong Ren Tang Holdings agreed to entrust Tong Ren Tang Century Advertising, as a non-exclusive advertising agent, to provide advertising agency services to Tong Ren Tang Group for a period from 1 January 2023 to 31 December 2025. Tong Ren Tang Century Advertising agreed to provide such services to Tong Ren Tang Group.
- Members of Tong Ren Tang Group and Tong Ren Tang Century Advertising will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the Advertising Agency Framework Agreement during the term thereof. Each implementation agreement will set out the details of the advertising agency services provided, any adjustments of advertising schedules, prices and other relevant terms thereof. Any such implementation agreement shall be in compliance with the Advertising Agency Framework Agreement and the annual caps thereunder.
- The content of the advertisement which Tong Ren Tang Holdings entrusts Tong Ren Tang Century Advertising to publish shall be in compliance with the laws, regulations and rules of the PRC in relation to the advertising and drug administration, and the publication of such advertisement shall be duly approved by relevant authorities, if needed.

Pricing Policy:

Transactions under the Advertising Agency Framework Agreement shall be conducted in the ordinary and usual course of business of Tong Ren Tang Century Advertising in accordance with the principle of fairness, reasonableness and ordinary commercial practice, and in accordance with the following principles:

- The fees for the advertising agency services provided by Tong Ren Tang Century Advertising to members of Tong Ren Tang Group shall be determined with reference to the actual quotation provided by third-party advertising providers at the time of entering into the implementation agreement based on their published price lists, plus a reasonable fee for the advertising agency services provided by Tong Ren Tang Century Advertising.
- The reasonable fee shall be determined by reference to the actual cost of providing advertising agency services and the gross profit margin of Tong Ren Tang Century Advertising in its past operations. In general, such reasonable fee will not be higher than 10% of the quotation provided by third-party advertising providers.

Payment of the Fees:

Payment details will be stipulated separately in the implementation agreement. In general, the advertising agency service fee will be settled within three months after Tong Ren Tang Century Advertising issues the relevant invoice.

Historical Transaction Amount Under Advertising Agency Framework Agreement

Historical transaction amount under the Advertising Agency Framework Agreement for the three years ended 31 December 2022 is set out below:

	Year ended 31 December 2020 <i>(RMB million)</i>	Year ended 31 December 2021 <i>(RMB million)</i>	Year ended 31 December 2022 <i>(RMB million)</i>
Historical Transaction Amount	22.62	27.87	14.52

Historical Annual Caps Under Advertising Agency Framework Agreement

The annual caps for the transactions contemplated under the Advertising Agency Framework Agreement for the three years ended 31 December 2022 are set out below:

	Year ended 31 December 2020 (RMB million)	Year ended 31 December 2021 (RMB million)	Year ended 31 December 2022 (RMB million)
Historical Annual Caps	28	28	28

The Directors have been monitoring the transaction amount contemplated under the Advertising Agency Framework Agreement, and for the three years ended 31 December 2022, the annual caps for each year have not been exceeded.

To the best of the Directors' knowledge, the low utilisation rate of the historical annual caps under the Advertising Agency Framework Agreement for the year ended 31 December 2022 was mainly due to the impact of COVID-19 pandemic, which caused the reduced demand of Tong Ren Tang Group for advertising agency services such as product sales exhibitions and advertising in 2022.

(B) Major Terms of the Renewed TRTCM Advertising Agency Framework Agreement

Renewal Date:	22 March 2023
Parties:	(i) Tong Ren Tang Century Advertising (ii) Tong Ren Tang Chinese Medicine
Term of the Agreement:	The renewed TRTCM Advertising Agency Framework Agreement is for a term from 22 March 2023 to 31 December 2025.
Principal Terms and Conditions:	Pursuant to the TRTCM Advertising Agency Framework Agreement: <ul style="list-style-type: none">• Tong Ren Tang Chinese Medicine agreed to entrust Tong Ren Tang Century Advertising, as a non-exclusive advertising agent, to provide advertising agency services to Tong Ren Tang Chinese Medicine Group in the PRC for a period from 22 March 2023 to 31 December 2025. Tong Ren Tang Century Advertising agreed to provide such services to Tong Ren Tang Chinese Medicine Group.

- Members of Tong Ren Tang Chinese Medicine Group and Tong Ren Tang Century Advertising will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the TRTCM Advertising Agency Framework Agreement during the term thereof. Each implementation agreement will set out the details of the advertising agency services provided, any adjustments of advertising schedules, prices and other relevant terms thereof. Any such implementation agreements shall be in compliance with the TRTCM Advertising Agency Framework Agreement and the annual caps thereunder.
- The content of the advertisement which members of Tong Ren Tang Chinese Medicine Group entrust Tong Ren Tang Century Advertising to publish shall be in compliance with the laws, regulations and rules of the PRC in relation to the advertising and drug administration, and the publication of such advertisement shall be duly approved by relevant authorities, if needed.

Pricing Policy:

Transactions under the TRTCM Advertising Agency Framework Agreement shall be conducted in the ordinary and usual course of business of Tong Ren Tang Century Advertising in accordance with the principle of fairness, reasonableness and ordinary commercial practice, and in accordance with the following principles:

- The fees for the advertising agency services provided by Tong Ren Tang Century Advertising to members of Tong Ren Tang Chinese Medicine Group shall be determined with reference to the actual quotation provided by third-party advertising providers at the time of entering into the implementation agreement based on their published price lists, plus a reasonable fee for the advertising agency services provided by Tong Ren Tang Century Advertising.
- The reasonable fee shall be determined by reference to the actual cost of providing advertising agency services and the gross profit margin of Tong Ren Tang Century Advertising in its past operations. In general, such reasonable fee will not be higher than 10% of the quotation provided by third-party advertising providers.

Payment of the Fees:

Payment details will be stipulated separately in the implementation agreement. In general, the advertising agency service fee will be settled within three months after Tong Ren Tang Century Advertising issues the relevant invoice.

Historical Transaction Amount Under TRTCM Advertising Agency Framework Agreement

Historical transaction amount under the TRTCM Advertising Agency Framework Agreement for the three years ended 31 December 2022 is set out below:

	Year ended 31 December 2020 <i>(RMB million)</i>	Year ended 31 December 2021 <i>(RMB million)</i>	Year ended 31 December 2022 <i>(RMB million)</i>
Historical Transaction Amount	1.10	2.12	1.14

Historical Annual Caps Under TRTCM Advertising Agency Framework Agreement

The annual caps for the transactions contemplated under the TRTCM Advertising Agency Framework Agreement for the three years ended 31 December 2022 are set out below:

	Year ended 31 December 2020 <i>(RMB million)</i>	Year ended 31 December 2021 <i>(RMB million)</i>	Year ended 31 December 2022 <i>(RMB million)</i>
Historical Annual Caps	5.60	6.85	8.00

The Directors have been monitoring the transaction amount contemplated under the TRTCM Advertising Agency Framework Agreement, and for the three years ended 31 December 2022, the annual caps for each year have not been exceeded.

To the best knowledge of the Directors, the low utilisation rate of historical annual caps under the TRTCM Advertising Agency Framework Agreement for the three years ended 31 December 2022 was due to the impact of the COVID-19 pandemic, which caused the instability of the overall economic condition. Tong Ren Tang Chinese Medicine's demand for promotion of its products in mainland China remained at a relatively low level. Meanwhile, Tong Ren Tang Chinese Medicine has postponed or set aside some of its advertising plans under the circumstance of strictly cost control.

(C) Proposed Annual Caps

In view of (a) Tong Ren Tang Chinese Medicine is a member of Tong Ren Tang Group and a connected subsidiary of the Company, which is also a connected person of the Company, and (b) the proposed transaction under the TRTCM Advertising Agency Framework Agreement and the proposed transaction under the Advertising Agency Framework Agreement are of the same nature, TRTCM Advertising Agency Framework Agreement is regarded as an agreement under the Advertising Agency Framework Agreement, and the annual caps of the proposed connected transactions contemplated under the TRTCM Advertising Agency Framework Agreement forms part of the annual caps of the proposed connected transactions under the Advertising Agency Framework Agreement.

The proposed annual caps for the transactions contemplated under the Advertising Agency Framework Agreement for the three years ending 31 December 2025 are set below:

	Year ending 31 December 2023 <i>(RMB million)</i>	Year ending 31 December 2024 <i>(RMB million)</i>	Year ending 31 December 2025 <i>(RMB million)</i>
Proposed annual caps under Advertising Agency Framework Agreement <i>(Note 1)</i>	26.7	28.0	28.0
Proposed annual caps under TRTCM Advertising Agency Framework Agreement <i>(Note 2)</i>	7.3	7.3	7.3
Proposed annual caps	34.0	35.3	35.3

Note:

- (1) The above proposed annual caps under the Advertising Agency Framework Agreement exclude the proposed annual caps under the TRTCM Advertising Agency Framework Agreement.*
- (2) Based on the exchange rate of HK \$1 against RMB 0.87721 (the recent announcement of the central parity of RMB exchange rate published by the People's Bank of China), the proposed annual caps under the TRTCM Advertising Agency Framework Agreement for the three years ending 31 December 2025 are approximately HK \$8.30 million, HK \$8.30 million and HK \$8.30 million, respectively.*

The above proposed annual caps under Advertising Agency Framework Agreement (excluding the proposed annual caps under TRTCM Advertising Agency Framework Agreement) were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

- (i) the historical transaction amount between Tong Ren Tang Group and the Group under Advertising Agency Framework Agreement for the three years ended 31 December 2022 and the utilisation rate of historical annual caps: over 80% for 2020, over 90% for 2021, and despite the impact of COVID-19 pandemic caused the reduced demand of Tong Ren Tang Group for advertising agency services in 2022, the utilisation rate of historical annual caps for that year still exceeded 50%;
- (ii) with the weakening impact of the COVID-19 pandemic at the end of 2022 and the continuous improvement of the public health control measures in mainland China, as well as the economic recovery in the post-pandemic era, it is expected that Tong Ren Tang Group will strengthen its marketing and advertising of its products in the next three years. Therefore, it is expected that the demand for advertising agency services of members of Tong Ren Tang Group will continuously increase in the future; and
- (iii) a buffer of approximately 10% has been provided for any unexpected increase in the renewed Advertising Agency Framework Agreement in the next three years.

The above proposed annual caps under the TRTCM Advertising Agency Framework Agreement were determined with reference to the historical transaction figures as listed above and after taking into consideration the following factors:

- (i) The relatively low utilisation rate of historical annual caps under the TRTCM Advertising Agency Framework Agreement for the three years ended 31 December 2022 was due to the impact of the COVID-19 pandemic, which caused the instability of the overall economic condition, Tong Ren Tang Chinese Medicine's demand for promotion of its products in mainland China remained at a relatively low level. Meanwhile, Tong Ren Tang Chinese Medicine has postponed or set aside some of its advertising plan under the circumstance of strictly cost control. The Company is of the view that the previous transaction amount and low utilisation rate of the historical transaction amount cannot correctively reflect the actual advertising service demand of Tong Ren Tang Chinese Medicine on promoting its products. On the contrary, based on Tong Ren Tang Chinese Medicine's initial demand for promotion of its products in mainland China, the Company is of the view that the historical transaction amount for the previous years under TRTCM Advertising Agency Framework Agreement would be close to the corresponding historical annual caps if there is no influence of the above factors;
- (ii) on the other hand, with the weakening impact of the COVID-19 pandemic at the end of 2022 and the continuous improvement of the public health control measures in mainland China and Hong Kong, as well as the continuous improvement of economic recovery trend, it is expected that Tong Ren Tang Chinese Medicine will strengthen its marketing and advertising of its products in the next three years. Therefore, it is expected that the demand of advertising agency services of Tong Ren Tang Chinese Medicine will continuously increase in the future; and

- (iii) a buffer of approximately 10% has been provided for any unexpected increase in advertising service demand of Tong Ren Tang Chinese Medicine and any potential exchange rate appreciation of the RMB against the HKD.

In addition, from 1 January 2023 to 22 March 2023, Tong Ren Tang Group and Tong Ren Tang Chinese Medicine Group had not conducted any transactions with Tong Ren Tang Century Advertising under the Advertising Agency Framework Agreement and TRTCM Advertising Agency Framework Agreement.

(D) Reasons for and benefit of renewal of the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement

The Directors, Tong Ren Tang Holdings and Tong Ren Tang Chinese Medicine consider that engaging Tong Ren Tang Century Advertising, a wholly-owned subsidiary of the Company, is more efficient and effective in terms of publicizing and promoting the brand image of "Tong Ren Tang" and the products, in the building-up and maintaining of the overall image of "Tong Ren Tang", as well as in the integration of the needs for advertising services among the members of Tong Ren Tang Group. By virtue of Tong Ren Tang Century Advertising's wide range and high-quality advertising provider resources, the renewed Advertising Agency Framework Agreement and TRTCM Advertising Agency Framework Agreement will enable members of Tong Ren Tang Group to enjoy high-quality advertising agency services while bring ideal income to Tong Ren Tang Central Advertising.

The Directors (including the independent non-executive Directors) are of the view that the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement were entered into on normal commercial terms in the ordinary course of business, and the terms and conditions therein as well as the annual caps for the continuing connected transactions contemplated thereunder are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

(E) Measures of Internal Control

To ensure the Group's conformity with the pricing policies in relation to the continuing connected transactions contemplated under the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement, the Group has adopted the following internal control procedures:

- (i) after renewing the Advertising Agency Framework Agreement, the continuing connected transactions contemplated thereunder shall be strictly in compliance with the approved terms and conditions. Implementation agreements under the Advertising Agency Framework Agreement shall be performed in strict accordance with pricing policies set out in the Advertising Agency Framework Agreement. If revision of such terms and conditions is required due to change of actual situation, it is required to re-perform appropriate approval process;
- (ii) after renewing the TRTCM Advertising Agency Framework Agreement, the continuing connected transactions contemplated thereunder shall be strictly in compliance with the approved terms and conditions. Implementation agreements under the TRTCM Advertising Agency Framework Agreement shall be performed in strict accordance with pricing policies set out in the TRTCM Advertising Agency Framework Agreement. If revision of such terms and conditions is required due to change of actual situation, it is required to re-perform appropriate approval process;

- (iii) before entering into a specific implement agreement, Tong Ren Tang Century Advertising and the legal department of the Company will review the specific terms of the relevant implement agreement, and ensure that the relevant terms are in compliance with the terms, conditions and pricing policies of the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement;
- (iv) Tong Ren Tang Century Advertising is responsible to continuously monitor the pricing terms and actual transaction amounts of each of the specific implementation agreements to the renewed Advertising Agency Framework Agreement and the renewed TRTCM Advertising Agency Framework Agreement. The financial department of the Company is responsible to collect the total transaction amounts of the continuing connected transactions under the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement on a monthly basis and prepare summary report accordingly. If Tong Ren Tang Century Advertising discovers any imminent or possible exceeding of the annual caps of any continuing connected transactions under the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement, it shall report as soon as possible to the financial department and the securities department of the Company. If the necessity to revise the annual caps is confirmed, Tong Ren Tang Century Advertising shall submit proposal to revise annual caps. After obtaining the approval of the person in charge, the application shall be submitted to the executive office of the Company for consideration, and the Board or the general meeting of shareholders (as the case may be) shall ultimately decide whether to revise the annual caps for the continuing connected transactions and to perform the disclosure procedures accordingly. Before completion of all of the approval and disclosure procedures, the person in charge of Tong Ren Tang Century Advertising involved in the continuing connected transactions shall ensure that the transaction amounts do not exceed the annual caps;
- (v) the independent non-executive Directors will review the continuing connected transactions under the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement to ensure all transactions contemplated thereunder are entered into on normal commercial terms or better, are fair and reasonable, the terms and conditions available to the Group are no less favourable than those available to independent third parties, and such transactions are carried out pursuant to the terms of the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement; and
- (vi) the auditors of the Company will conduct annual reviews on the pricing and annual caps of the continuing connected transactions under the renewed Advertising Agency Framework Agreement and the renewed TRTCM Advertising Agency Framework Agreement.

Taking into account that: (i) the above methods and procedures are necessary components of an internal control system, including designated department and responsible officer, clear approval process and monitoring system; and (ii) the above-mentioned review procedures and approval process can ensure that the transactions will be executed in accordance with the pricing policies stipulated in the renewed Advertising Agency Framework Agreement and the renewed TRTCM Advertising Agency Framework Agreement, the Directors (including the independent non-executive Directors) are of the view that such methods and procedures can ensure and safeguard that the transactions contemplated under the renewed Advertising Agency Framework Agreement and the renewed TRTCM Advertising Agency Framework Agreement will be on normal commercial terms and not prejudicial to interests of the Company and its minority Shareholders' interests as a whole.

HONG KONG LISTING RULES IMPLICATIONS

Tong Ren Tang Holdings is the ultimate controlling shareholder of the Company and is therefore a connected person of the Company under the Hong Kong Listing Rules. Tong Ren Tang Ltd. is the direct controlling shareholder of the Company, which holds approximately 46.85% equity interest in the Company. As at the date of this announcement, Tong Ren Tang Ltd. also directly holds approximately 33.62% equity interest in Tong Ren Tang Chinese Medicine, a non-wholly owned subsidiary of the Company. Pursuant to Rule 14A.16 of the Hong Kong Listing Rules, Tong Ren Tang Chinese Medicine constitutes a connected subsidiary of the Company. Accordingly, the transactions contemplated under the Advertising Agency Framework Agreement and the TRTCM Advertising Agency Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

In view of (a) Tong Ren Tang Chinese Medicine is a member of Tong Ren Tang Group and a connected subsidiary of the Company, which is also a connected person of the Company, and (b) the proposed transaction under the TRTCM Advertising Agency Framework Agreement and the proposed transaction under the Advertising Agency Framework Agreement are of the same nature, the TRTCM Advertising Agency Framework Agreement is regarded as an agreement under the Advertising Agency Framework Agreement, and the annual caps of the proposed connected transaction contemplated under the TRTCM Advertising Agency Framework Agreement forms part of the annual caps of the proposed connected transaction under the Advertising Agency Framework Agreement.

As one or more of the applicable percentage ratios in respect of the estimated annual caps for the continuing connected transactions under the renewed Advertising Agency Framework Agreement (including the estimated annual caps for the continuing connected transactions under the renewed TRTCM Advertising Agency Framework Agreement) exceed 0.1% but are all less than 5%, the renewed Advertising Agency Framework Agreement and the proposed annual caps for the continuing connected transactions contemplated thereunder are only subject to reporting, annual review and announcement requirements, but exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

Since Mr. Gu Hai Ou, the chairman of the Board, is also the vice general manager and member of the Standing Committee of the Party Committee of Tong Ren Tang Holdings, he is deemed to have material interests in the renewed Advertising Agency Framework Agreement, and therefore has abstained from voting on the relevant resolutions of the Board. Besides, since Ms. Feng Li, the non-executive Directors of the Board, is also the director of Tong Ren Tang Chinese Medicine, she is deemed to have material interests in the renewed TRTCM Advertising Agency Framework Agreement, and therefore has abstained from voting on the relevant resolutions of the Board. Save for disclosed above, to the best of the Directors' knowledge, information and belief after all reasonable enquiry, no Directors have material interests in the renewal of the abovementioned continuing connected transactions and as a result are required to abstain from voting on the relevant resolution at the Board meeting.

GENERAL INFORMATION ON THE PARTIES

The Company

The Company is principally engaged in the manufacturing and sale of Chinese Medicine.

Tong Ren Tang Century Advertising

Tong Ren Tang Century Advertising is principally engaged in advertising design, production, agency and publication, etc..

Tong Ren Tang Holdings

Tong Ren Tang Holdings is engaged in the processing and manufacture of Chinese patent medicine and Chinese medicinal decoction pieces, sales of Chinese medicinal, Chinese patent medicine and Chinese medicinal decoction pieces, medical food, warehousing and transportation, etc.. Beijing SASAC is the ultimate beneficial owner of Tong Ren Tang Holdings. Pursuant to the Program for the Reform of the Institutions of the People's Government of Beijing Municipality as approved by the Central Committee of the Communist Party of China and the State Council and the Circular of the People's Government of Beijing Municipality about the Establishment of Institutions, Beijing SASAC is established as a special institution directly under the Municipality Government and is authorized by the Municipality Government to represent the State to perform the duties of the state-owned assets contributor.

Tong Ren Tang Chinese Medicine

Tong Ren Tang Chinese Medicine is principally engaged in manufacturing, retail and wholesale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments services.

DEFINITIONS

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

"Advertising Agency Framework Agreement"	the advertising agency framework agreement entered into between Tong Ren Tang Century Advertising and Tong Ren Tang Holdings on 20 March 2014, renewed by the parties on 29 September 2016, 28 February 2020 and 22 March 2023 for the purpose of the provision of advertising agency services by Tong Ren Tang Century Advertising to Tong Ren Tang Group
"associate(s)"	has the meaning ascribed under the Hong Kong Listing Rules
"Beijing SASAC"	The State-owned Assets Supervision and Administration Commission of the State Council of Beijing Municipality (北京人民政府國有資產監督管理委員會)
"Board"	the board of directors of the Company

"Company"	Tong Ren Tang Technologies Co. Ltd. (北京同仁堂科技發展股份有限公司), a joint stock company incorporated in the PRC with limited liability and the H shares of which are listed on the Main Board of the Hong Kong Stock Exchange
"controlling shareholder"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Director(s)"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on Hong Kong Stock Exchange
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"PRC"	the People's Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	the shareholder(s) of the Company
"Tong Ren Tang Century Advertising"	Beijing Tong Ren Tang Century Advertising Co., Ltd. (北京同仁堂世紀廣告有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
"Tong Ren Tang Chinese Medicine"	Beijing Tong Ren Tang Chinese Medicine Company Limited (北京同仁堂國藥有限公司), a non-wholly owned and connected subsidiary of the Company, which was incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 3613)
"Tong Ren Tang Chinese Medicine Group"	Tong Ren Tang Chinese Medicine and its subsidiaries
"Tong Ren Tang Group"	Tong Ren Tang Holdings and its associates (excluding the Group, but including entities constitute connected subsidiaries of the Company pursuant to the Hong Kong Listing Rules and Tong Ren Tang Chinese Medicine Group)
"Tong Ren Tang Holdings"	China Beijing Tong Ren Tang Group Co., Ltd. (中國北京同仁堂(集團)有限責任公司), a state-owned enterprise established in the PRC and the ultimate controlling shareholder of the Company who is directly and indirectly interested in 48.24% equity interest in the Company

"Tong Ren Tang Ltd. "

Beijing Tong Ren Tang Company Limited(北京同仁堂股份有限公司), a joint stock limited company established in the PRC, the shares of which have been listed on the Shanghai Stock Exchange A Shares Market since 1997, and is the controlling Shareholder of the Company

"TRTCM Advertising Agency Framework Agreement"

the advertising agency framework agreement entered into between Tong Ren Tang Century Advertising and Tong Ren Tang Chinese Medicine on 28 April 2020 and renewed by the parties on 22 March 2023 for the purpose of the provision of advertising agency services by Tong Ren Tang Century Advertising to Tong Ren Tang Chinese Medicine Group

By order of the Board
Tong Ren Tang Technologies Co. Ltd.
Gu Hai Ou
Chairman of the Board

Beijing, the PRC
22 March 2023

As at the date of this notice, the Board comprises Mr. Gu Hai Ou, Mr. Wang Yu Wei and Ms. Feng Zhi Mei as executive Directors, Mr. Jin Tao, Ms. Wang Chun Rui and Ms. Feng Li as non-executive Directors, Mr. Ting Leung Huel, Stephen, Ms. Chan Ching Har, Eliza and Mr. Zhan Yuan Jing as independent non-executive Directors.