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.

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 People's Republic of China with limited liability)

(Stock Code: 1666)

CONNECTED TRANSACTION

RENEWAL OF CURRENT LAND USE RIGHT LEASING AGREEMENT

Reference is made to the announcement of the Company dated 26 March 2021 in relation to the Current Land Use Right Leasing Agreement entered into between the Company and Tong Ren Tang Holdings on 26 March 2021, pursuant to which Tong Ren Tang Holdings had agreed to lease the Land to the Company, with a leasing period of 5 years commencing from 6 October 2020 to 5 October 2025. In view of the expiration of the Current Land Use Right Leasing Agreement, the Company and Tong Ren Tang Holdings entered into the Renewed Land Use Right Leasing Agreement on 28 November 2025, with a leasing period of 3 years commencing from 6 October 2025 to 5 October 2028.

As at the date of this announcement, 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. In accordance with IFRS 16, the Company recognises the value of the right-of-use asset on its consolidated statement of financial position in connection with the lease of the Land under the Renewed Land Use Right Leasing Agreement. Accordingly, the transactions contemplated thereunder is regarded as an acquisition of right-of-use asset by the Company which will constitute a one-off connected transaction of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the value of the right-of-use asset recognised by the Company pursuant to IFRS 16 of the leased asset under the Renewed Land Use Right Leasing Agreement are more than 0.1% but all less than 5%, such connected transaction is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 26 March 2021 in relation to the Current Land Use Right Leasing Agreement entered into between the Company and Tong Ren Tang Holdings on 26 March 2021, pursuant to which Tong Ren Tang Holdings had agreed to lease the Land to the Company, with a leasing period of 5 years commencing from 6 October 2020 to 5 October 2025. In view of the expiration of the Current Land Use Right Leasing Agreement, the Company and Tong Ren Tang Holdings entered into the Renewed Land Use Right Leasing Agreement on 28 November 2025, with a leasing period of 3 years commencing from 6 October 2025 to 5 October 2028.

PRINCIPAL TERMS OF THE RENEWED LAND USE RIGHT LEASING AGREEMENT

Date:	28 November 2025
Parties:	(i) the Company, as lessee; and (ii) Tong Ren Tang Holdings, as lessor
Land:	The Land, being the land located at No. 20, Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC, with a total area of 43,812.949 square meters
Term:	3 years commencing from 6 October 2025 to 5 October 2028
Rent:	RMB9,281,600 per year, subject to adjustment in case of any changes in national policies. The rent was determined after arm's length negotiations between the Company and Tong Ren Tang Holdings and with reference to the valuation report issued by the Independent Valuer. According to the valuation report, as at the valuation reference date (namely 30 June 2025), the value of the unit rent and the annual rent of the right of use of the Land are RMB0.58/m^2 per day, and RMB9,281,600 per year, respectively.
Payment:	The rent is payable on an annual basis, with the payment period commencing from 1 September to 5 October of each year.
Security deposit:	The security deposit is RMB698,000, which shall be returned to the Company upon the expiration of the Renewed Land Use Right Leasing Agreement if Tong Ren Tang Holdings has no objection to the Land acceptance and no due charge or breach of contract by the Company occurs.
Other terms:	In case of breach of contract, whether arising from early termination of the Renewed Land Use Right Leasing Agreement by Tong Ren Tang Holdings due to its own reasons or failure of payment of rent by the Company as agreed, the breaching party shall pay the other party 0.3% of the annual rent (i.e. RMB27,844.8) for each day ahead of the original expiration date or each day after the due payment date respectively, and in any case such payment shall not exceed RMB300,000.

REASONS FOR AND BENEFITS OF ENTERING INTO THE RENEWED LAND USE RIGHT LEASING AGREEMENT

All along, the Company has been leasing and using the Land from Tong Ren Tang Holdings according to the Current Land Use Right Leasing Agreement for many years, which has been expired. In consideration of (i) the Land is at prime location which is suitable for conducting business of the Group; (ii) the relatively stable lease terms provided by Tong Ren Tang Holdings to the Group; and (iii) the saving of relocation costs due to the fixed assets (e.g. machinery, equipment and houses) already installed in the Land, the Directors are of the view that the Renewed Land Use Right Leasing Agreement is able to continue the current lease of Land between Tong Ren Tang Holdings and the Company, which meets the needs of the future business of the Group and is beneficial for the business development of the Group. The Directors (including the independent non-executive Directors) are of the view that the Renewed Land Use Right Leasing Agreement was entered into the ordinary and usual course of business of the Group and on normal commercial terms, and fair and reasonable as well as in line with the interests of the Company and its Shareholders as a whole.

HONG KONG LISTING RULES IMPLICATIONS

As at the date of this announcement, 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. In accordance with IFRS 16, the Company recognises the value of the right-of-use asset on its consolidated statement of financial position in connection with the lease of the Land under the Renewed Land Use Right Leasing Agreement. Accordingly, the transactions contemplated thereunder is regarded as an acquisition of right-of-use asset by the Company which will constitute a one-off connected transaction pursuant to Chapter 14A of the Hong Kong Listing Rules.

The value of the right-of-use asset recognised by the Company pursuant to IFRS 16 in respect of the leased asset under the Renewed Land Use Right Leasing Agreement amounts to approximately RMB24,284,173.37 on 28 November 2025. Shareholders should note that the above figure is unaudited and may be subject to adjustment in the future. The right-of-use asset represents its right to use the underlying leased asset over the lease term and the lease liability represents its obligation to make lease payments (i.e. the rent). The asset and the liability arising from the lease are initially measured on present value basis and calculated by discounting the lease payments under the Renewed Land Use Right Leasing Agreement, using the incremental borrowing rate as the discount rate. In accordance with IFRS 16, the Group shall recognise (i) depreciation charge over the life of the right-of-use asset; and (ii) interest expenses amortised from the lease liability over the lease term.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the value of the right-of-use asset recognised by the Company pursuant to IFRS 16 of the leased asset under the Renewed Land Use Right Leasing Agreement are more than 0.1% but all less than 5%, such connected transaction is subject to reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Since each of Mr. Zhang Chun You, Mr. Chen Fei and Ms. Feng Li, being a Director also holding a management position or directorship of Tong Ren Tang Ltd., Tong Ren Tang Holdings, or their associates (as defined under Chapter 14A of the Hong Kong Listing Rules), they are deemed to have material interests in the Renewed Land Use Right Leasing Agreement, and therefore have abstained from voting on the relevant resolutions of the Board. Save as disclosed above, no other Directors have material interests in the Renewed Land Use Right Leasing Agreement and as a result are required to abstain from voting on the relevant resolutions at the Board meeting.

GENERAL INFORMATION

The Company

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

Tong Ren Tang Holdings

Tong Ren Tang Holdings is principally engaged in the processing, manufacture and sale of Chinese medicinal materials, Chinese patent medicine, Chinese medicinal decoction pieces, medical food, warehousing and transportation, etc. Beijing State-owned Assets Supervision and Administration Commission of the State Council ("**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.

DEFINITIONS

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

"Board"	means the board of directors of the Company
"Company"	means 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
"Current Land Use Right Leasing Agreement"	means the land use right leasing agreement entered into between the Company and Tong Ren Tang Holdings on 26 March 2021, pursuant to which Tong Ren Tang Holdings has agreed to lease the Land to the Company, with a leasing period of 5 years commencing from 6 October 2020 to 5 October 2025
"Director(s)"	means the director(s) of the Company
"Group"	means the Company and its subsidiaries
"Hong Kong Stock Exchange"	means The Stock Exchange of Hong Kong Limited
"Hong Kong Listing Rules"	means the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange (as amended from time to time)
"IFRS"	means International Financial Reporting Standards
"Independent Valuer"	means Beijing Zhongtianhua Asset Appraisal Co., Ltd. (北京中天華資產評估有限責任公司), an independent and qualified professional valuer engaged for the valuation of the Land
"Land"	means the land leased by the Company from Tong Ren Tang Holdings, being located at No. 20, Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC
"Renewed Land Use Right Leasing Agreement"	means the land use right leasing agreement entered into between the Company and Tong Ren Tang Holdings on 28 November 2025, pursuant to which Tong Ren Tang Holdings has agreed to lease the Land to the Company, with a leasing period of 3 years commencing from 6 October 2025 to 5 October 2028
"PRC"	means the People's Republic of China
"RMB"	means Renminbi, the lawful currency of the PRC
"Shareholder(s)"	means the shareholder(s) of the Company
"Tong Ren Tang Holdings"	means 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

By order of the Board

Tong Ren Tang Technologies Co. Ltd.

Zhang Yi

Chairman of the Board

Beijing, the PRC

28 November 2025

As at the date of this announcement, the Board comprises Mr. Zhang Yi, Mr. Zhang Chun You, and Ms. Wen Kai Ting as executive Directors, Mr. Chen Fei and Ms. Feng Li as non-executive Directors, Ms. Chan Ching Har, Eliza, Mr. Zhan Yuan Jing and Mr. Li Siu Bun as independent non-executive Directors, and Mr. Zhu Dong Sheng as employee Director.