

**TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED**

**First Quarter Financial Statement (\*) And Dividend Announcement**

**1(a) Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income**

	<u>Note</u>	<u>The Group</u>		<u>Change</u>
		<b>3-month period ended 31 March 2025 RMB'000</b>	<b>3-month period ended 31 March 2024 RMB'000</b>	<b>%</b>
<b>Revenue</b>	2	<b>1,455,300</b>	2,085,588	(30)
Cost of sales	2	<b>(402,769)</b>	(1,033,227)	(61)
<b>Gross profit</b>		<b>1,052,531</b>	1,052,361	-
Interest income		<b>3,347</b>	6,878	(51)
Other income and gains		<b>16,805</b>	18,104	(7)
Marketing and distribution expenses		<b>(543,943)</b>	(553,348)	(2)
Research and development expenses		<b>(25,778)</b>	(24,735)	4
Administrative expenses		<b>(89,343)</b>	(114,899)	(22)
Finance costs		<b>(250)</b>	(4,664)	(95)
Other losses		<b>(16,496)</b>	(11,758)	40
Share of results of equity-accounted associates		<b>39,817</b>	72,598	(45)
<b>Profit before tax</b>		<b>436,690</b>	440,537	(1)
Income tax expense	3	<b>(64,903)</b>	(57,155)	14
<b>Profit, net of tax</b>		<b>371,787</b>	383,382	(3)
<b>Other comprehensive income</b>				
<b><i>Items that will not be reclassified to profit or loss</i></b>				
Fair value gain on equity investment measured at FVTOCI, net of tax		<b>(35)</b>	(22)	59
Share of other comprehensive income from equity-accounted associates, net of tax		<b>(79)</b>	(1,044)	(92)
<b>Other comprehensive Income/(loss)</b>		<b>(114)</b>	(1,066)	(89)
<b>Total comprehensive income</b>		<b>371,673</b>	382,316	(3)

	<u>Note</u>	<u>The Group</u>		<u>Change</u>
		<b>3-month period ended 31 March 2025 RMB'000</b>	3-month period ended 31 March 2024 RMB'000	%
<b>Profit, net of tax attributable to:</b>				
Owners of the parent		<b>374,248</b>	387,325	(3)
Non-controlling interests		<b>(2,462)</b>	(3,944)	(38)
		<b>371,786</b>	383,381	(3)
<b>Total comprehensive income attributable to:</b>				
Owners of the parent		<b>374,134</b>	386,259	(3)
Non-controlling interests		<b>(2,462)</b>	(3,944)	(38)
		<b>371,672</b>	382,315	(3)
Earnings per ordinary share for the period based on net profits after deducting any provision for preference dividends:				
<b>Based on weighted average number of ordinary shares on issue</b>		<b>0.49</b>	0.50	(2)

(\*) prepared under International Financial Reporting Standards  
n.m Not Meaningful

**Additional information on the Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income. The following significant items of gains / (charges) were included in the statement of income.**

	<u>Note</u>	<b>Group</b>		
		<b>3-month period ended 31 March 2025 RMB'000</b>	3-month period ended 31 March 2024 RMB'000	<b>Change %</b>
Profit for the year is arrived at after crediting/(charging):				
Other income (including government grants)		<b>16,804</b>	14,390	17
Interest income		<b>3,347</b>	6,878	(51)
Interest on borrowings		<b>(250)</b>	(4,664)	(95)
Allowance for impairment of trade receivables – losses		<b>(5,459)</b>	(9,588)	(43)
Allowance for impairment of other receivables – losses		<b>(44)</b>	(54)	(19)
Allowance for impairment of notes receivables		-	3,714	n.m
Inventories written down – reversal / (losses)		<b>(8,804)</b>	(1,446)	n.m
Foreign currency translation gains, net		<b>(21)</b>	(494)	(96)
Net (losses)/gains on disposal of property, plant and equipment, intangible assets and other non-current assets		<b>(92)</b>	(176)	(48)
Share-based payments		-	(175)	n.m
Depreciation and amortisation		<b>(28,748)</b>	(31,529)	(9)

1(b)(i) Condensed Interim Statements of Financial Position

		The Group			The Company		
	Note	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000	Change %	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000	Change %
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment		1,372,485	1,386,801	(1)	1,029,932	1,041,001	(1)
Right-of-use assets		6,048	6,645	(9)	-	-	-
Investment properties		11,024	11,279	(2)	11,024	11,279	(2)
Land use rights		241,862	243,681	(1)	196,239	197,727	(1)
Intangibles assets		91,308	93,934	(3)	49,565	49,723	-
Goodwill	12	12,301	12,301	-	-	-	-
Investment in subsidiaries	7	-	-	-	1,048,534	1,048,534	-
Investment in associates	8	1,316,299	1,293,528	2	1,316,299	1,293,528	2
Other financial assets	9	2,052,254	771,961	n.m	1,837,153	578,146	n.m
Deferred tax assets		339,492	314,400	8	314,946	287,789	9
Other assets	10	28,409	26,031	9	26,685	24,078	11
<b>Total non-current assets</b>		<b>5,471,482</b>	<b>4,160,561</b>	<b>32</b>	<b>5,830,377</b>	<b>4,531,805</b>	<b>29</b>
<b>Current assets</b>							
Inventories		1,204,909	1,285,687	(6)	1,067,525	1,154,187	(8)
Trade and other receivables	11	1,697,435	1,324,889	28	1,503,827	1,146,740	31
Other financial assets	9	1,298,423	1,000,072	30	1,266,266	968,039	31
Other assets	10	41,053	52,981	(23)	24,611	36,774	(33)
Cash and cash equivalents		1,454,568	2,944,433	(51)	1,260,826	2,736,763	(54)
<b>Total current assets</b>		<b>5,696,388</b>	<b>6,608,062</b>	<b>(14)</b>	<b>5,123,055</b>	<b>6,042,503</b>	<b>(15)</b>
<b>Total assets</b>		<b>11,167,870</b>	<b>10,768,623</b>	<b>4</b>	<b>10,953,432</b>	<b>10,574,308</b>	<b>4</b>
<b>EQUITY</b>							
<b>Equity</b>							
Share capital	13	770,094	770,094	-	770,094	770,094	-
Share premium		1,206,930	1,206,930	-	1,206,930	1,206,930	-
Retained earnings		6,118,024	5,743,776	7	5,880,893	5,531,353	6
Other reserves		122,680	122,794	-	537,523	537,637	-
<b>Total equity attributable to equity holders of the Company</b>		<b>8,217,728</b>	<b>7,843,594</b>	<b>5</b>	<b>8,395,440</b>	<b>8,046,014</b>	<b>4</b>
Non-controlling interests		3,882	6,344	(39)	-	-	-
<b>Total equity</b>		<b>8,221,610</b>	<b>7,849,938</b>	<b>5</b>	<b>8,395,440</b>	<b>8,046,014</b>	<b>4</b>

		The Group			The Company		
	Note	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000	Change %	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000	Change %
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Deferred tax liabilities		5,734	6,038	(5)	-	-	-
Trade payables		3,539	3,539	-	3,361	3,361	-
Lease liabilities		4,325	5,603	(23)	-	-	-
Other financial liabilities	14	-	-	-	-	-	-
Other liabilities		85,446	85,671	-	60,720	60,806	-
<b>Total non-current liabilities</b>		<b>99,044</b>	<b>100,851</b>	<b>(2)</b>	<b>64,081</b>	<b>64,167</b>	<b>-</b>
<b>Current liabilities</b>							
Income tax payable		89,145	297,569	(70)	84,972	281,485	(70)
Trade and other payables	15	2,547,673	2,309,877	10	2,215,547	1,983,867	12
Other financial liabilities	14	72,432	21,653	n.m	70,432	19,653	-
Lease liabilities		2,122	1,329	60	-	-	-
Other liabilities		135,844	187,406	(28)	122,960	179,122	(31)
<b>Total current liabilities</b>		<b>2,847,216</b>	<b>2,817,834</b>	<b>1</b>	<b>2,493,911</b>	<b>2,464,127</b>	<b>1</b>
<b>Total liabilities</b>		<b>2,946,260</b>	<b>2,918,685</b>	<b>1</b>	<b>2,557,992</b>	<b>2,528,294</b>	<b>1</b>
<b>Total equity and liabilities</b>		<b>11,167,870</b>	<b>10,768,623</b>	<b>4</b>	<b>10,953,432</b>	<b>10,574,308</b>	<b>4</b>

### 1(b)(ii) Condensed Interim Statements of Changes in Equity

RMB'000

Group	Share capital	Share premium	Other reserves	Retained earnings	Parent sub-total	Non-controlling interests	Total equity
Balance at 1 January 2025	770,094	1,206,930	122,794	5,743,776	7,843,594	6,344	7,849,938
Total comprehensive income for the period	-	-	(114)	374,248	374,134	(2,462)	371,672
Balance at 31 March 2025	770,094	1,206,930	122,680	6,118,024	8,217,728	3,882	8,221,610

<b>Group</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Parent sub-total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
Balance at 1 January 2024	770,158	1,207,326	130,224	4,500,020	6,607,728	44,546	6,652,274
Total comprehensive income for the period	-	-	(1,066)	387,325	386,259	(3,944)	382,315
Share-based payments	-	-	175	-	175	-	175
Balance at 31 March 2024	770,158	1,207,326	129,333	4,887,345	6,994,162	40,602	7,034,764

RMB'000

<b>Company</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Other reserves (Restated)</b>	<b>Retained earnings (Restated)</b>	<b>Total equity (Restated)</b>
Balance at 1 January 2025	770,094	1,206,930	537,637	5,531,353	8,046,014
Total comprehensive income for the period	-	-	(114)	349,540	349,426
Balance at 31 March 2025	770,094	1,206,930	537,523	5,880,893	8,395,440

<b>Company</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Other reserves (Restated)</b>	<b>Retained earnings (Restated)</b>	<b>Total equity (Restated)</b>
Balance at 1 January 2024	770,158	1,207,326	545,067	4,456,460	6,979,011
Total comprehensive income for the period	-	-	(1,066)	389,673	388,607
Share-based payments	-	-	175	-	175
Balance at 31 March 2024	770,158	1,207,326	544,176	4,846,133	7,367,793

**1(c) Condensed Interim Consolidated Statement of Cash Flows**

	<u>The Group</u>	
	3-month period ended 31 March 2025 RMB'000	3-month period ended 31 March 2024 RMB'000
<b>Cash flows from operating activities</b>		
Profit before tax	436,690	440,537
Adjustments for:		
Interest income	(3,347)	(6,878)
Interest expense	250	4,664
Investment income on debts instruments at amortised cost	(13,658)	(5,305)
Share of results of equity-accounted associates	(39,817)	(72,598)
Depreciation and amortisation of property, plant and equipment, investment properties, right-of-use assets, land use rights, intangible assets and other assets	28,748	31,529
Net gains on disposal of property, plant and equipment, intangible assets and other non-current assets	92	176
Impairment losses on receivables and inventories	14,308	7,374
Share-based payments	-	175
<b>Operating cash flows before changes in working capital</b>	423,266	399,674
Inventories	75,989	81,707
Trade and other receivables	(379,292)	(682,768)
Other assets	8,017	66,730
Trade and other payables	318,315	144,237
Cash restricted in use	-	(10,889)
Other liabilities	(51,787)	(37,391)
<b>Net cash flows from operations</b>	394,508	(38,700)
Income tax paid	(298,719)	(57,478)
<b>Net cash flows generated from/(used in) operating activities</b>	95,789	(96,178)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(24,005)	(14,199)
Acquisition of financial assets	(2,140,000)	(40,000)
Proceeds from redemption of financial assets	570,000	-
Dividend income received from associates and financial assets	-	170,616
Proceeds from disposal of property, plant and equipment and intangible assets	57	26
Interest income received	8,519	6,878
<b>Net cash flows (used in)/generated from investing activities</b>	(1,585,429)	123,321

	<u>The Group</u>	
	<b>3-month period ended 31 March 2025 RMB'000</b>	3-month period ended 31 March 2024 RMB'000
<b>Cash flows from financing activities</b>		
Increase in new loans and borrowings	-	300,000
Interest expense paid	(16)	(2,221)
Repayment of lease liabilities	(207)	(3,340)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(223)</b>	294,439
<b>Net decrease in cash and cash equivalents</b>	<b>(1,489,863)</b>	321,582
Unrealised foreign exchange adjustments	(2)	(56)
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	<b>2,944,433</b>	1,997,386
<b>Cash and cash equivalents, consolidated statement of cash flows, ending balance</b>	<b>1,454,568</b>	2,318,912



## Notes to the Condensed Interim Financial Statements

31 March 2025

### 1. General

Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited (formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited) (the “**Company**”) is incorporated in the People’s Republic of China (the “**PRC**”) as a joint stock limited company. The Company is listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the Shanghai Stock Exchange (the “**SSE**”).

The financial statements are presented in Chinese Renminbi (“**RMB**”) and have been rounded to the nearest thousand (“RMB’000”) unless when otherwise indicated, and they cover the Company and its subsidiaries (collectively, the “**Group**”), and the Group’s interests in associates.

The board of directors of the Company had, on 28 April 2025, approved and authorised these condensed interim financial statements for announcement on SGXNET.

The principal activities of the Group are disclosed in note 2 on segment information.

The registered office of the Company is located at 17 Baidi Road, Nankai District, Tianjin, the PRC 300193. The principal place of business of the Company is in Tianjin, the PRC.

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

The Company is not required to announce its quarterly financial statements on SGXNET pursuant to the requirements of the listing manual of the SGX-ST (the “**Listing Manual**”). However, since the Company is required to announce its quarterly financial statements in accordance with the requirements of the SSE, the Company is voluntarily announcing its quarterly financial statements on SGXNET.

These condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and the provisions of the SGX Mainboard Listing Rules.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the

selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position of the Group since the latest audited annual financial statements.

The estimates and assumptions contained in these condensed consolidated interim financial statements are periodically monitored to ensure that they incorporate all relevant information available at the date when the financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed consolidated interim financial statements.

## 2. Financial information by operating segments

### 2A. Information about reportable segment profit or loss

For management purposes, the Group is segregated into the Chinese Medicine and Western Medicine major strategic operating segments.

### 2B. Profit or loss from continuing operations and reconciliations

	Chinese <u>medicine</u>	Western <u>medicine</u>	<u>Others</u>	<u>Total</u>
	RMB'000	RMB'000	RMB'000	RMB'000
<b>3-month period ended 31 March 2025</b>				
<b>Revenue</b>	<b>1,326,818</b>	<b>19,168</b>	<b>109,314</b>	<b>1,455,300</b>
<b>Cost of sales</b>	<b>(325,378)</b>	<b>(12,533)</b>	<b>(64,858)</b>	<b>(402,769)</b>
<b>Gross profit</b>	<b>1,001,440</b>	<b>6,635</b>	<b>44,456</b>	<b>1,052,531</b>
3-month period ended 31 March 2024				
Revenue	1,656,961	298,089	130,538	2,085,588
Cost of sales	(661,479)	(279,234)	(92,514)	(1,033,227)
Gross profit	995,482	18,855	38,024	1,052,361

## 2C. Disaggregation of revenue from contracts with customers

	<u>Group</u>	
	<b>3-month period ended 31 March 2025 RMB'000</b>	3-month period ended 31 March 2024 RMB'000
Sale of goods recognised at point-in-time	1,451,917	2,082,553
Revenue recognised over time	3,383	3,035
	<b>1,455,300</b>	2,085,588

## 3. Income tax

### 3A. Components of tax expense recognised in profit or loss

	<u>Group</u>	
	<b>3-month period ended 31 March 2025 RMB'000</b>	3-month period ended 31 March 2024 RMB'000
<u>Current tax</u>		
Current tax expense	90,294	79,214
Adjustments in respect of prior years		-
	<b>90,294</b>	79,214
<u>Deferred tax</u>		
Deferred tax expense	(25,391)	(22,059)
	<b>64,903</b>	57,155

The income tax expense varied from the amount determined by applying the PRC statutory corporate tax rate of 25% (2024: 25%) to profit before tax as a result of the following differences:

	<u>Group</u>	
	<b>3-month period ended 31 March 2025 RMB'000</b>	3-month period ended 31 March 2024 RMB'000
Profit before tax	436,690	440,537
Loss: Share of results of equity-accounted associates	(39,817)	(72,598)
	<b>396,873</b>	367,939
Income tax expense at tax rate of 25%	99,218	91,985
Effect of concessionary tax rate at 15%	(28,976)	(27,111)
Non-deductible items	948	1,296
Non-taxable items	(6,245)	(10,890)
Unrecognised deferred tax assets	(42)	1,875
Adjustments in respect of prior years	-	-
	<b>64,903</b>	57,155

#### 4. Disposal of subsidiaries

There was no disposal of subsidiaries in the current financial period reported on.

In particular, for the purposes of Rule 706A of the Listing Manual, for the current financial period reported on, the Group had not disposed of shares resulting in a company ceasing to be a subsidiary or an associated company of the Company and had also not disposed of shares resulting in the Company reducing its shareholding percentage in a subsidiary or an associated company.

#### 5. Dividends on equity shares

No dividend has been declared for the current financial period reported on. No dividend was declared for the corresponding period of the immediately preceding financial year.

#### 6. Acquisition of subsidiaries / subsidiary / business combination

There was no company which became a subsidiary of the Company through acquisition or business combination in the current financial period reported on.

In particular, for the purposes of Rule 706A of the Listing Manual, for the current financial period reported on, the Group had not acquired any shares of a company resulting in such company becoming a subsidiary or an associated company of the Company and had also not acquired any shares resulting in the Company increasing its shareholding percentage in a subsidiary or an associated company.

#### 7. Investments in subsidiaries

	<u>Company</u>	
	<b>As at 31 March 2025</b>	As at 31 December 2024
	<b>RMB'000</b>	RMB'000
Movements during the period:		
At beginning of the period	<b>1,048,534</b>	1,652,454
Additions	-	35,100
Reductions	-	(639,020)
At the end of the period	<b>1,048,534</b>	1,048,534

## 8. Investments in associates

	<u>Group</u>	
	<b>As at 31 March 2025</b>	As at 31 December 2024
	<b>RMB'000</b>	RMB'000
Movements in carrying value:		
At beginning of the period	<b>1,293,528</b>	882,307
Share of profit of associates	<b>22,850</b>	168,208
Dividends	-	(354,087)
Additions	-	659,047
Partial disposal of an associate	-	(55,424)
Other equity movements	<b>(79)</b>	(6,523)
At end of the period	<b>1,316,299</b>	1,293,528

## 9. Other financial assets

	<u>Group</u>	
	<b>As at 31 March 2025</b>	As at 31 December 2024
	<b>RMB'000</b>	RMB'000
Other financial assets - current assets		
Investment in debt instruments at amortised cost	<b>1,298,423</b>	1,000,072
Other financial assets - non-current assets		
Investment in debt instruments at amortised cost	<b>2,052,203</b>	771,869
Investment in equity instruments at fair value through other comprehensive income	<b>51</b>	92
	<b>2,052,254</b>	771,961
	<b>3,350,677</b>	1,772,033

## 10. Other assets

	<u>Group</u>	
	<b>As at 31 March 2025</b>	As at 31 December 2024
	<b>RMB'000</b>	RMB'000
Current assets		
Prepayments	<b>15,537</b>	25,339
Value-added taxes recoverable	<b>25,494</b>	27,618
Income tax recoverable	<b>22</b>	24
	<b>41,053</b>	52,981
Non-current assets		
Prepayment	<b>28,409</b>	26,031
	<b>69,462</b>	79,012

## 11. Trade and other receivables

	<u>Group</u>	
	<b>As at 31 March 2025</b> RMB'000	As at 31 December 2024 RMB'000
<b>Trade receivables</b>		
Bills receivable	603,466	560,062
Third parties	944,628	664,613
Associates	11,125	16,527
Related parties	234,347	174,218
Less: Allowance for credit impaired	(15,389)	(15,399)
Less: Allowance for expected credit losses	(89,136)	(83,666)
	1,689,041	1,316,355
<b>Other receivables</b>	25,030	25,890
Third parties	17,522	17,522
Associates	4,725	3,961
Less: Allowance for expected credit losses	(38,883)	(38,839)
	8,394	8,534
<b>Total</b>	<b>1,697,435</b>	<b>1,324,889</b>

The ageing of the trade receivables balances was as follows:

	<u>Group</u>		
	<u>Gross amount</u> RMB'000	<u>ECL</u> %	<u>Loss allowance</u> RMB'000
<b>As at 31 March 2025</b>			
<b>Within 1 year</b>	<b>1,049,648</b>	<b>0.13</b>	<b>1,326</b>
<b>1 – 2 years</b>	<b>45,857</b>	<b>20.00</b>	<b>9,171</b>
<b>2 – 3 years</b>	<b>1,134</b>	<b>50.00</b>	<b>567</b>
<b>Over 3 years</b>	<b>78,072</b>	<b>100.00</b>	<b>78,072</b>
<b>Total</b>	<b>1,174,711</b>		<b>89,136</b>
<b>As at 31 December 2024</b>			
<b>Within 1 year</b>	<b>740,140</b>	<b>0.13</b>	<b>958</b>
<b>1 – 2 years</b>	<b>20,787</b>	<b>20.00</b>	<b>4,157</b>
<b>2 – 3 years</b>	<b>963</b>	<b>50.00</b>	<b>482</b>
<b>Over 3 years</b>	<b>78,069</b>	<b>100.00</b>	<b>78,069</b>
<b>Total</b>	<b>839,959</b>		<b>83,666</b>

## 12. Goodwill

	<u>Group</u>	
	<b>As at 31 March 2025 RMB'000</b>	<b>As at 31 December 2024 RMB'000</b>
Beginning balance	<b>12,301</b>	65,911
Additions	-	-
Reductions	-	(53,610)
Ending balance	<b>12,301</b>	12,301

## 13. Share capital and treasury shares

	<u>Group</u>			
	Number of ordinary shares		Amount of share capital	
	<b>As at 31 March 2025 '000</b>	<b>As at 31 December 2024 '000</b>	<b>As at 31 March 2025 RMB'000</b>	<b>As at 31 December 2024 RMB'000</b>
Movements in share capital:				
At beginning of the period	<b>770,094</b>	770,158	<b>770,094</b>	770,158
Restricted A-Shares buy-back	-	(64)	-	(64)
At end of the period	<b>770,094</b>	770,094	<b>770,094</b>	770,094

There has been no change in the Company's share capital since the end of the previous period reported on, being 31 December 2024.

The Company does not hold any treasury shares and there are no subsidiary holdings as at 31 March 2025 and 31 March 2024.

	<u>As at 31 March 2025</u>	<u>As at 31 December 2024</u>
Number of issued shares excluding treasury shares	770,094,356	770,094,356
Number of treasury shares held	Nil	Nil

#### 14. Aggregate amount of the group's borrowings and debt securities

	<u>Secured</u>		<u>Unsecured</u>	
	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000
<u>Repayable in</u> <u>one year or</u> <u>less, or on</u> <u>demand:</u>				
Bank				
borrowings	-	-	72,432	21,653
Subtotal	-	-	72,432	21,653
<u>Repayable after</u> <u>one year:</u>				
Bank				
borrowings	-	-	-	-
Subtotal	-	-	-	-
Total	-	-	72,432	21,653

#### 15. Trade and other payables

	<u>Group</u>	
	As at 31 March 2025 RMB'000	As at 31 December 2024 RMB'000
Trade payables		
Third parties	258,982	277,578
Associates	4,663	5,536
Related parties	625	1,398
Employee benefits payables	267,910	270,086
	532,180	554,598
Other payables		
Third parties	1,841,106	1,647,097
Tax payables	104,884	37,908
Dividend payable	27,608	27,525
Associates	23,485	23,485
Related parties	18,410	19,264
Subtotal	2,015,493	1,755,279
Total	2,547,673	2,309,877



## 16. Capital commitments

	<u>Group</u>	
	<b>As at 31 March 2025 RMB'000</b>	As at 31 December 2024 RMB'000
Contractual obligations to purchase and construct	<b>2,369</b>	2,680

## 17. Categories of financial assets and liabilities

	<u>Group</u>	
	<b>As at 31 March 2025 RMB'000</b>	As at 31 December 2024 RMB'000
<u>Financial assets</u>		
Financial assets at amortised cost	<b>6,502,629</b>	6,041,263
Financial assets at fair value through other comprehensive income	<b>51</b>	92
	<b>6,502,680</b>	6,041,355
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	<b>2,557,659</b>	2,320,348

## 18. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied same accounting policies and method of computation as presented in the audited financial statements of the Group for the reporting year ended 31 December 2024.

**19. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

- (a) Based on the weighted average number of ordinary shares on issue; and  
(b) On a fully diluted basis (detailing any adjustments made to the earnings)

	Group	
	3-month period ended 31 March 2025	3-month period ended 31 March 2024
	RMB	RMB
Based on weighted average number of ordinary shares in issue	<b>0.49</b>	0.50

Diluted earnings per share is the same as basic earnings per share as the Company does not have any potential ordinary shares that have a dilutive effect on earnings per share as at the end of the period reported on.

**20. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	As at 31 March 2025	As at 31 December 2024	As at 31 March 2025	As at 31 December 2024
	RMB	RMB	RMB	RMB
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on	<b>10.67</b>	10.19	<b>10.90</b>	10.45

**21. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.**

The financial performance of the Group is not significantly affected by any of the seasonality or cyclicity of interim operations.

**(a) Revenue:**

The Group's revenue in the first quarter of the financial year ending 31 December 2025 ("**1Q FY2025**") was approximately RMB1,455 million, a decrease of approximately RMB630 million or 30% compared to the first quarter of the financial year ended 31 December 2024 ("**1Q FY2024**"). This was mainly due to a change in the Company's consolidation scope, which excluded the data of Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司) ("**TJZX Medicine**") from the current period's operating revenue. The Company's industrial revenue had increased compared to the same period last year.

**(b) Gross Profit Margin:**

The Group's gross profit in 1Q FY2025 was approximately RMB1,053 million, an increase of approximately RMB0.17 million compared to 1Q FY2024. The gross profit margin increased from 50% in 1Q FY2024 to 72% in 1Q FY2025. The increase was mainly due to a change in the Company's consolidation scope, which excluded the data of TJZX Medicine from the current period's gross profit. The Company's industrial gross profit margin remained largely stable.

**(c) Other Gains:**

Other gains in 1Q FY2025 was approximately RMB17 million, a decrease of approximately RMB1 million or 7%, from approximately RMB18 million in 1Q FY2024.

**(d) Major Expenses:**

- (i) Marketing and Distribution expenses in 1Q FY2025 was approximately RMB544 million, a decrease by approximately RMB9 million or 2% from approximately RMB553 million in the previous corresponding period.
- (ii) Research and development expenses in 1Q FY2025 was approximately RMB26 million, an increase by approximately RMB1 million or 4% from approximately RMB25 million in the previous corresponding period.
- (iii) Administrative expenses in 1Q FY2025 was approximately RMB89 million, a decrease by approximately RMB26 million or 22% from approximately RMB115 million in the previous corresponding period. This was primarily due to a year-on-year decrease in brand development expenses and strategic consulting fees.
- (iv) Finance costs in 1Q FY2025 decreased by approximately RMB4 million from

approximately RMB4.66 million to approximately RMB0.25 million. This was mainly due to a change in the Company's consolidation scope, which excluded the data of TJZX Medicine from the current period's finance cost.

- (v) Other losses in 1Q FY2025 increased by approximately RMB5 million or 40%, from approximately RMB11 million in 1Q FY2024 to approximately RMB16 million in 1Q FY2025. This was mainly due to a year-on-year increase in provision for inventory obsolescence.

(e) Share of results of associated companies:

The Group's share of profits of associates in 1Q FY2025 was approximately RMB40 million, a decrease by approximately RMB33 million or 45% from approximately RMB73 million in the previous corresponding period. This was mainly due to the Company's shareholding in its associate, Sino-American Tianjin SmithKline & French Lab., Ltd. (天津中美史克制药有限公司) ("**Sino-American Tianjin**"), decreasing from 25% in the same period last year to 12%, resulting in a year-on-year decline in investment income from Sino-American Tianjin.

(f) Total comprehensive income:

The Group's total comprehensive income (net of tax) in 1Q FY2025 was approximately RMB372 million, a decrease by approximately RMB11 million or 3% from approximately RMB382 million in the previous corresponding period. This was mainly due to a year-on-year decrease in investment income from the associate, Sino-American Tianjin.

The profit attributable to equity holders of parent (net of tax) in 1Q FY2025 was approximately RMB374 million, a decrease of approximately RMB13 million or 3% over the previous corresponding period.

(g) Major changes in statement of financial positions:

- (i) As at 31 March 2025, the Group's cash and cash equivalents amounted to approximately RMB1,455 million, which was a decrease of approximately RMB1,490 million or 51% over the balance as at 31 December 2024. This was mainly due to the purchase of large-denomination certificate of deposit products during the current period. The Group's short-term borrowings as at 31 March 2025 amounted to approximately RMB72 million, which was an increase of approximately RMB51 million over the balance as at 31 December 2024.
- (ii) Trade and other receivables was approximately RMB1,697 million as at 31 March 2025, which was an increase of approximately RMB373 million or 28% over the balance as at 31 December 2024.
- (iii) Inventories were approximately RMB1,205 million as at 31 March 2025, which was a decrease by approximately RMB81 million or 6% from the balance as at 31

December 2024.

- (iv) Other current assets decreased by approximately RMB12 million or 23% to approximately RMB41 million as at 31 March 2025.
  - (v) Investments in associates of the Group increased by approximately RMB23 million or 2% to approximately RMB1,316 million.
  - (vi) Property, plant and equipment decreased by approximately RMB14 million or 1% to approximately RMB1,372 million.
  - (vii) Other financial assets increased by approximately RMB1,579 million or 89% to approximately RMB3,351 million. This was mainly due to the purchase of large-denomination certificate of deposit products during the current period.
- (h) Changes in cash flow position:
- (i) In 1Q FY2025, the Group recorded net cash inflow from operating activities of approximately RMB95.79 million which has increased by RMB191.97 million as compared to 1Q FY2024. This was mainly due to a year-on-year increase in cash received from the earlier redemption of bank acceptance bills during the current period.
  - (ii) Cash outflow from investing activities was approximately RMB1,842 million in 1Q FY2025 which has increased by approximately RMB1,965 million as compared to 1Q FY2024. This was mainly due to a year-on-year increase in cash outflows for the purchase of large-denomination certificate of deposit products during the current period.
  - (iii) Cash outflow from financing activities was approximately RMB0.2 million in 1Q FY2025 which has increased by approximately RMB295 million as compared to 1Q FY2024. This was mainly due to a change in the Company's consolidation scope, which excluded the data of TJZX Medicine from the current period's cash flows.

## **22. Forecast, or a prospect statement**

There was no forecast or prospect statement that had been previously disclosed to shareholders.

**23. Significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Traditional Chinese Medicine (TCM) industry is currently experiencing a period driven by the convergence of favorable policies, technological advancements, and rising demand. Looking ahead, the industry will focus on high-quality development, leveraging innovation, international expansion, and industry integration to transform from conventional healthcare to a holistic health ecosystem.

Policy benefits continue to be released, accelerating the industry's standardization and internationalization. At the national level, a series of policies, including the "Opinions on Enhancing the Quality of Traditional Chinese Medicine and Promoting the High-Quality Development of the TCM Industry" (《关于提升中药质量促进中医药产业高质量发展的意见》), have been issued to support the protection of TCM resources, optimization of the industrial chain, and the development of a standardized system. Meanwhile, the internationalization of TCM has now made significant progress, reaching 196 countries and regions. The establishment of overseas centers and cooperation bases has further supported the steady growth of export volumes.

Technological innovation and digital transformation are reshaping the industry ecosystem. The deep integration of modern technology with TCM, including AI-assisted diagnosis, big data analytics, and telemedicine, is enhancing the precision and efficiency of TCM practices. Intelligent manufacturing is driving the standardization of TCM production, addressing the complexity of traditional processes. In addition, TCM enterprises are increasing their R&D investments, improving the standardization of clinical trials, and advancing innovation towards greater precision and intelligence, as seen in the application of technologies such as in vitro cultured bezoar.

Structural growth in market demand and expansion of diversified application scenarios are driving the industry forward. The aging population and rising prevalence of chronic diseases have significantly increased demand for TCM in areas such as preventive care and rehabilitation. Cardiovascular TCM products currently hold a dominant market position. At the same time, the industry is extending into the broader health and wellness sector, with emerging cross-sector models such as medicinal food integration, TCM-based beauty, and health management. Strategies such as "TCM+" are giving rise to health supplements and personalized wellness solutions.

As a representative enterprise in the TCM industry, the Company aligns its development strategy closely with industry trends. Guided by the core philosophy of "upholding tradition while pursuing innovation", the Group is deepening market expansion and global outreach by consolidating its presence in the North China market and expanding into southern regions. It adopts a differentiated approach to managing medical and retail channels, strengthening online-offline integration. By leveraging policy support and advancing intelligent manufacturing, the Group is implementing end-to-end digital management across its production processes.

Through enhanced control across business lines, the Group actively addresses cost fluctuations and market competition, supporting the high-quality development of the Company.

**24. If a decision regarding dividend has been made:**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended)
- (b) The amount per share, as well as for the previous corresponding period
- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)
- (d) The date the dividend is payable
- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared for the current financial period reported on. The Company will conduct a review at the end of the financial year.

**25. Related party transactions**

There are transactions and arrangements between the Group and its subsidiaries and associates, and the effects of these transactions as determined between the parties are reflected in these condensed consolidated interim financial statements. The related company balances and transfer of resources, services or obligations (if any) are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intra-group transactions and balances that have been eliminated in these condensed consolidated interim financial statements are not disclosed as related party transactions and balances below.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	<u>3-months period ended 31 March</u>	
	<b><u>2025</u></b> <b>RMB'000</b>	<b><u>2024</u></b> <b>RMB'000</b>
Sale of goods to associates	<b>13,491</b>	100
Purchase of goods from associates	<b>(5,293)</b>	(18,900)
Interest income from an associate	<b>2,496</b>	3,814
Interest expense payable to an associate	-	(1,893)

	<u>3-months period ended 31 March</u>	
	<u>2025</u> RMB'000	<u>2024</u> RMB'000
Sale of goods to related companies	98,401	49,511
Purchase of goods from related companies	(3,050)	(59,935)
Rental expenses to related companies	(584)	(555)
Rental income from related companies	54	47

## 26. Interested Person Transactions disclosure

The Group has obtained a general mandate (the “**IPT General Mandate**”) from the Shareholders for interested person transactions (the “**IPTs**”, and each, an “**IPT**”) at the annual general meeting held on 15 May 2024 for the financial year ended 31 December 2023 (“**FY2023**”). Please refer to the annexure accompanying the notice of annual general meeting in relation to the proposed renewal of mandate for IPTs (as set out on pages 179 to 199 of the Company’s annual report for FY2023) for further details on the IPT General Mandate. During the current financial period reported on, there are no IPTs (excluding transactions less than S\$100,000) entered into with the mandated interested persons that are conducted under the IPT General Mandate.

Shareholders’ approval has also been obtained for the Company’s entry into a financial services agreement with Tianjin Pharmaceutical Group Finance Co., Ltd. (天津医药集团财务有限公司) (“**TPGF**”) as an IPT and all transactions arising therefrom, at the annual general meeting held on 15 May 2023 for the financial year ended 31 December 2022 (“**FY2022**”). Please refer to the annexure dated 28 April 2023 (the “**28 April 2023 Annexure**”) in relation to the foregoing IPT for further details.

Accordingly, the aggregate value of all IPTs during the current financial period reported on (excluding transactions less than S\$100,000) is as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920 of the Listing Manual)		Aggregate value of all interested person transactions conducted during the financial period under review under a shareholders’ mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)	
		<b>3-month period ended 31</b>	3-month period ended 31	<b>3-month period ended 31</b>	3-month period ended 31



		<b>March 2025</b>	March 2024	<b>March 2025</b>	March 2024
		RMB'000	RMB'000	RMB'000	RMB'000
Tianjin Pharmaceutical Group Finance Co., Ltd. (天津医药集团财务有限公司) (i.e. TPGF)	Subsidiary of Tianjin Pharmaceutical Holdings Co., Ltd. (天津市医药集团有限公司) ("TPH"), the controlling shareholder of the Company	The interest payable on the credit facilities provided by TPGF: -	1,893	-	-
Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司) (i.e. TJZX Medicine)	Subsidiary of Tianjin Pharmaceutical Group Taiping Medicine Co., Ltd. (津药太平医药有限公司), in which the Company and TPH hold 43.35% and 56.65%, respectively	Provision of guarantee by the Company for TJZX Medicine: 507,578	-	-	-
<b>Total</b>		<b>507,578</b>	<b>1,893</b>	<b>-</b>	<b>-</b>

Note(s):

- (1) As at 31 March 2025, placement of deposit with TPGF amounted to approximately RMB1,099 million.

As disclosed in the 28 April 2023 Annexure in relation to the proposed financial services agreement to be entered into between the Company and TPGF as an IPT, TPGF shall provide certain financial services to the Company under the aforesaid financial services agreement, including deposit business services.

As further disclosed in the 28 April 2023 Annexure, the deposit services provided by TPGF will enhance the management of funds of the Company and improve the Company's efficiency in the use of available funds. The management of funds is enhanced as:

- (i) there is security of funds as TPGF provides safe and efficient online banking services to the

member entities in the TPH Group (comprising TPH, its subsidiaries and associated companies, including the Company), and these member entities can monitor the changes in the funds deposited in their accounts with TPGF at any time;

(ii) funds payment can be made and settled efficiently as any payment made by the Company for its branches can be realized through the internal transfer function of TPGF's online banking system, which is efficient and convenient; and

(iii) TPGF can provide credit support to the Company within a short period of time, and this can reduce the Company's need to maintain a certain amount of reserves from time to time.

In this regard, as disclosed in the 28 April 2023 Annexure, the Company has opened/ will open a deposit account with TPGF and deposit the funds in such account. Further, the maximum daily balance in the deposit account (including interest) shall not exceed RMB1,500 million. Please refer to the 28 April 2023 Annexure for further details on the scope and terms of the financial services provided by TPGF to the Company under the aforesaid financial services agreement.

Shareholders' approval for the Company's entry into the aforesaid financial services agreement was obtained at the annual general meeting of the Company held on 15 May 2023 for FY2022.

The deposit of approximately RMB1,099 million placed with TPGF falls within the limit of RMB1,500 million. Further details on the deposit are set out below:

Unit: RMB '000

<b>Duration of deposit</b>	<b>Current deposit (1-7 days)</b>	<b>Fixed deposit (12 months)</b>	<b>Total</b>
Balance of deposit	739,052	360,000	1,099,052

Note: The Company may withdraw the "current deposit" at any time and may only withdraw the "fixed deposit" after its maturity.

Pursuant to Rule 904 of the Listing Manual, an "interested person transaction" means a transaction between an entity at risk and an interested person, and "transaction" includes, amongst others, the provision or receipt of goods or services, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities). As TPGF is a subsidiary of TPH, the controlling shareholder of the Company, the deposit services provided by TPGF to the Company constitute an interested person transaction. However, the deposit of approximately RMB1,099 million placed with TPGF as at 31 March 2025 has not been included in the IPT table set out above to prevent confusion to Shareholders. Due to the nature of deposit, the monies deposited in the account can be withdrawn and/or deposited as and when necessary, save as disclosed above in relation to fixed deposit and subject to the maximum daily balance limit as stated above. As such, it is not calculated across a financial period, and the Company is of the view that it is more meaningful to disclose the amount of the deposit placed with TPGF as at the end of the financial

period under review. Accordingly, this disclosure has been presented separately from the IPT table set out above.

**27. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

**28. Person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that, to the best of its knowledge, belief and information, as of the date hereof, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director, Chief Executive Officer or Substantial Shareholder of the Company.

**29. Statement pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render these condensed consolidated interim financial results for the financial period ended 31 March 2025, to be false or misleading in any material respect.

**30. Additional information required on acquisitions and realisations pursuant to Rule 706A of the Listing Manual**

As disclosed in note 4 above, for the current financial period reported on, the Group had not disposed of shares resulting in a company ceasing to be a subsidiary or an associated company of the Company and had also not disposed of shares resulting in the Company reducing its shareholding percentage in a subsidiary or an associated company.

As disclosed in note 6 above, for the current financial period reported on, the Group had not acquired any shares of a company resulting in such company becoming a subsidiary or an associated company of the Company and had also not acquired any shares resulting in the Company increasing its shareholding percentage in a subsidiary or an associated company.