

TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED

Full Year Financial Statement (\*) And Dividend Announcement

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

	Note	The Group		Change
		2025 RMB'000	2024 RMB'000	%
<b>Revenue</b>	2	<b>4,917,336</b>	7,306,736	(33)
Cost of sales	2	<b>(1,357,623)</b>	(3,861,821)	(65)
<b>Gross profit</b>		<b>3,559,713</b>	3,444,915	3
Interest income		<b>41,838</b>	28,777	45
Dividend income		<b>242</b>	80	n.m
Other income and gains		<b>1,649,606</b>	1,790,021	(8)
Marketing and distribution expenses		<b>(2,025,611)</b>	(1,999,975)	1
Research and development expenses		<b>(189,808)</b>	(162,378)	17
Administrative expenses		<b>(402,602)</b>	(477,298)	(16)
Finance costs		<b>(968)</b>	(30,638)	(97)
Other losses		<b>(163,272)</b>	(182,929)	(11)
Share of results of equity-accounted associates, net of tax		<b>18,315</b>	168,208	(89)
<b>Profit before tax</b>		<b>2,487,453</b>	2,578,783	(4)
Income tax expense	3	<b>(376,702)</b>	(363,564)	4
<b>Profit for the year</b>		<b>2,110,751</b>	2,215,219	(5)
<b>Other comprehensive income</b>				
<b><i>Items that will not be reclassified subsequently to profit or loss:</i></b>				
Change in fair value of equity investment measured at FVTOCI, net of tax		<b>(78)</b>	(233)	(67)
Share of other comprehensive loss from equity-accounted associates, net of tax		<b>(2,181)</b>	(6,523)	(67)

	Note	The Group		Change
		2025 RMB'000	2024 RMB'000	%
<b>Items that maybe reclassified to profit or loss</b>				
Other reserve reclassified to profit or loss upon disposal of associate, net of tax		(600)	(650)	(8)
<b>Other comprehensive income for the year</b>		(2,859)	(7,406)	(61)
<b>Total comprehensive income for the year</b>		<b>2,107,892</b>	2,207,813	(5)
<b>Profit for the year attributable to:</b>				
Owners of the parent		<b>2,131,022</b>	2,229,335	(4)
Non-controlling interests		(20,272)	(14,116)	44
		<b>2,110,750</b>	2,215,219	(5)
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the parent		<b>2,128,164</b>	2,221,929	(4)
Non-controlling interests		(20,272)	(14,116)	44
		<b>2,107,892</b>	2,207,813	(5)
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>2.77</b>	2.90	(4)

(\*) 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.**

	Note	Group		
		2025 RMB'000	2024 RMB'000	Change %
Profit for the year is arrived at after crediting / (charging):				
Other income (including government grants)		<b>85,203</b>	75,714	13
Interest income		<b>41,838</b>	28,777	45
Interest on borrowings		<b>(968)</b>	(30,638)	(97)
Allowance for impairment of trade receivables – (loss) / reversal		<b>(7,412)</b>	(44,785)	(83)
Allowance for impairment of other receivables – (loss) / reversal		<b>(907)</b>	(515)	76
Impairment of goodwill		<b>(12,301)</b>	(53,610)	(77)
Impairment of property, plant and equipment		<b>(16,919)</b>	(14,488)	17
Impairment of intangible assets		<b>(29,987)</b>	-	n.m
Impairment of construction in progress		<b>(58,304)</b>	(45,667)	28
Allowance for impairment of notes receivables		-	(4,797)	n.m
Inventories written down – reversal / (loss)		<b>(34,989)</b>	(17,554)	99
Foreign currency translation gains / (losses), net		<b>(801)</b>	(1,513)	(47)
Employment termination benefits – reversal / (charge)		<b>1,464</b>	4,972	(71)
Net gains on disposal of property, plant and equipment, intangible assets and other non-current assets		<b>2,636</b>	73	n.m
Investment income – Dividend income		<b>242</b>	80	n.m
Proceeds from disposal of a subsidiary		<b>17,374</b>	-	n.m
Gain on partial disposal of an associate		<b>1,542,929</b>	1,709,262	(10)
Share-based payments		-	24	n.m
Depreciation and amortisation		<b>(125,037)</b>	(128,212)	(2)

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

	Note	The Group			The Company		
		As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000	Change %	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000	Change %
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment		1,133,999	1,386,801	(18)	914,299	1,041,001	(12)
Right-of-use assets		7,548	6,645	14	1,861	-	n.m
Investment properties		110,367	11,279	n.m	110,367	11,279	n.m
Land use rights		224,507	243,681	(8)	191,776	197,727	(3)
Intangible assets		86,639	93,934	(8)	78,966	49,723	59
Goodwill	12	-	12,301	n.m	-	-	n.m
Investment in subsidiaries	7	-	-	n.m	933,404	1,048,534	(11)
Investment in associates	8	1,165,662	1,293,528	(10)	1,165,662	1,293,528	(10)
Other financial assets	9	1,427,139	771,961	85	1,273,018	578,146	n.m
Deferred tax assets		341,007	314,400	8	315,253	287,789	10
Other assets	10	38,347	26,031	47	30,762	24,078	28
<b>Total non-current assets</b>		<b>4,535,215</b>	<b>4,160,561</b>	<b>9</b>	<b>5,015,368</b>	<b>4,531,805</b>	<b>11</b>
<b>Current assets</b>							
Inventories		1,132,968	1,285,687	(12)	1,026,147	1,154,187	(11)
Trade and other receivables	11	1,603,694	1,324,889	21	1,456,156	1,146,740	27
Other financial assets	9	3,316,008	1,000,072	n.m	3,191,129	968,039	n.m
Other assets	10	85,422	52,981	61	66,133	36,774	80
Cash and cash equivalents		1,016,427	2,944,433	(65)	765,339	2,736,763	(72)
<b>Total current assets</b>		<b>7,154,519</b>	<b>6,608,062</b>	<b>8</b>	<b>6,504,904</b>	<b>6,042,503</b>	<b>8</b>
<b>Total assets</b>		<b>11,689,734</b>	<b>10,768,623</b>	<b>9</b>	<b>11,520,272</b>	<b>10,574,308</b>	<b>9</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		5,002,346	5,743,776	(13)	4,681,566	5,531,353	(15)
Other reserves		120,129	122,794	(2)	534,778	537,637	(1)
<b>Total equity attributable to equity holders of the Company</b>		<b>7,099,499</b>	<b>7,843,594</b>	<b>(9)</b>	<b>7,193,368</b>	<b>8,046,014</b>	<b>(11)</b>
Non-controlling interests		446	6,344	(93)	-	-	n.m
<b>Total equity</b>		<b>7,099,945</b>	<b>7,849,938</b>	<b>(10)</b>	<b>7,193,368</b>	<b>8,046,014</b>	<b>(11)</b>

		The Group			The Company		
		As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000	Change %	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000	Change %
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Deferred tax liabilities		276	6,038	(95)	-	-	n.m
Trade payables		2,399	3,539	(32)	2,259	3,361	(33)
Lease liabilities		4,658	5,603	(17)	510	-	n.m
Other liabilities		76,018	85,671	(11)	63,067	60,806	4
<b>Total non-current liabilities</b>		<b>83,351</b>	<b>100,851</b>	<b>(17)</b>	<b>65,836</b>	<b>64,167</b>	<b>3</b>
<b>Current liabilities</b>							
Income tax payable		29,216	297,569	(90)	25,192	281,485	(91)
Trade and other payables	15	4,212,730	2,309,877	82	3,991,547	1,983,867	n.m
Other financial liabilities	14	57,903	21,653	n.m	48,864	19,653	n.m
Lease liabilities		3,125	1,329	n.m	1,190	-	n.m
Other liabilities		203,464	187,406	9	194,275	179,122	8
<b>Total current liabilities</b>		<b>4,506,438</b>	<b>2,817,834</b>	<b>60</b>	<b>4,261,068</b>	<b>2,464,127</b>	<b>73</b>
<b>Total liabilities</b>		<b>4,589,789</b>	<b>2,918,685</b>	<b>57</b>	<b>4,326,904</b>	<b>2,528,294</b>	<b>71</b>
<b>Total equity and liabilities</b>		<b>11,689,734</b>	<b>10,768,623</b>	<b>9</b>	<b>11,520,272</b>	<b>10,574,308</b>	<b>9</b>

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

All in 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
Profit for the year	-	-	(2,859)	2,131,022	2,128,163	(20,272)	2,107,891
Dividends	-	-	-	(2,872,452)	(2,872,452)	-	(2,872,452)
Liquidation of a subsidiary	-	-	194	-	194	14,374	14,568
Balance at 31 December 2025	770,094	1,206,930	120,129	5,002,346	7,099,499	446	7,099,945

Group	Share capital	Share premium	Other reserves	Retained earnings	Parent sub-total	Non-controlling interests	Total equity
Balance at 1 January 2024	770,158	1,207,326	130,224	4,500,020	6,607,728	44,546	6,652,274
Restricted A-Shares buy-back	(64)	(396)	-	224	(236)	-	(236)
Profit for the year	-	-	(7,406)	2,229,335	2,221,929	(14,116)	2,207,813
Dividends	-	-	-	(985,803)	(985,803)	-	(985,803)
Dividends paid to NCI	-	-	-	-	-	(4,980)	(4,980)
Share-based payments	-	-	(24)	-	(24)	-	(24)
Disposal of subsidiaries with NCI*	-	-	-	-	-	(19,106)	(19,106)
Balance at 31 December 2024	770,094	1,206,930	122,794	5,743,776	7,843,594	6,344	7,849,938

\* The Group disposed of its entire equity interest in its subsidiary, Tianjin Zhongxin Medicine Co., Ltd. (天津中新医药有限公司), in exchange for a 43.35% equity interest in Tianjin Pharmaceutical Group Taiping Medicine Co., Ltd. (津药太平医药有限公司), which is accounted for as an associate.

All in RMB'000

<b>Company</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total equity</b>
Balance at 1 January 2025	770,094	1,206,930	537,637	5,531,353	8,046,014
Profit for the year	-	-	(2,859)	2,022,665	2,019,806
Dividends	-	-	-	(2,872,452)	(2,872,452)
Balance at 31 December 2025	770,094	1,206,930	534,778	4,681,566	7,193,368

<b>Company</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total equity</b>
Balance at 1 January 2024	770,158	1,207,326	545,067	4,456,460	6,979,011
Repurchase of Restricted Shares	(64)	(396)	-	224	(236)
Profit for the year	-	-	(7,406)	2,060,472	2,053,066
Dividends	-	-	-	(985,803)	(985,803)
Share-based payments	-	-	(24)	-	(24)
Balance at 31 December 2024	770,094	1,206,930	537,637	5,531,353	8,046,014

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

	The Group	
	2025 RMB'000	2024 RMB'000
<b>Cash flows from operating activities</b>		
Profit before tax	2,487,453	2,578,783
Adjustments for:		
Bargain purchase gain on additional acquisition of equity interests in an associate	-	(5,852)
Interest income	(41,838)	(28,777)
Interest expense	968	30,638
Dividend income	(242)	(80)
Investment income on debts instruments at amortised cost	(66,868)	(30,237)
Share of results from equity-accounted associates	(18,315)	(168,208)
Depreciation and amortisation of property, plant and equipment, investment properties, right-of-use assets, land use rights, intangible assets and other assets	125,037	128,212
Net losses on disposal of property, plant and equipment, intangible assets and other non-current assets	(2,636)	(73)
Asset Impairment loss and credit impairment loss	160,819	181,416
Net reversal of share-based payments	-	(24)
Proceeds from disposal of a subsidiary	(17,374)	-
Gain on partial disposal of an associate	(1,542,929)	(1,709,262)
<b>Operating cash flows before changes in working capital</b>	<b>1,084,075</b>	976,536
Inventories	117,731	(30,958)
Trade and other receivables	(206,283)	(26,241)
Other assets	(54,134)	52,486
Trade and other payables	150,315	(19,459)
Cash restricted in use	-	127,814
Other liabilities	6,405	17,689
<b>Cash generated from operations</b>	<b>1,098,109</b>	1,097,867
Income tax paid	(678,881)	(201,972)
<b>Net cash generated from operating activities</b>	<b>419,228</b>	895,895
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(118,613)	(117,813)
Additions in other financial assets	(5,976,706)	(1,160,963)
Disposal of subsidiary, net of cash disposed	-	(347,800)
Capital contribution into an associate	-	(211,824)
Capital distribution from an associate	-	5,280
Proceeds from capital reduction of an associate	8,182	-
Proceeds from partial disposal of an associate	1,623,467	1,758,755
Proceeds from redemption of other financial assets	3,020,000	60,000
Dividend income received from associates and financial assets	14,642	354,168
Proceeds from disposal of property, plant and equipment and intangible assets	391	79

	<u>The Group</u>	
	<b>2025</b> RMB'000	<b>2024</b> RMB'000
Interest income received	<b>62,501</b>	31,200
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(1,366,136)</b>	371,082
<b>Cash flows from financing activities</b>		
Proceeds from bank loans	<b>5,000</b>	1,221,071
Dividends paid	<b>(981,185)</b>	(982,214)
Distributions to non-controlling interests	-	(4,980)
Interest expense paid	<b>(101)</b>	(28,375)
Loans and borrowings paid	<b>(2,000)</b>	(520,005)
Repurchase of restricted A-shares	-	(282)
Repayment of lease liabilities	<b>(2,595)</b>	(5,103)
<b>Net cash flows used in financing activities</b>	<b>(980,881)</b>	(319,888)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,927,789)</b>	947,089
Effect of foreign exchange rate changes on cash and cash equivalents	<b>(217)</b>	(42)
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>1,016,427</b>	2,944,433

## Notes to the Condensed Interim Financial Statements

31 December 2025

### 1. General

Tianjin Pharmaceutical Da Ren Tang 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 30 March 2026, approved and authorised these condensed interim financial statements for issue 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 been audited in accordance with International Standards on Auditing.

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>12-month period ended 31 December 2025</b>				
<b>Revenue</b>	<b>4,461,170</b>	<b>89,939</b>	<b>366,227</b>	<b>4,917,336</b>
<b>Cost of sales</b>	<b>(963,855)</b>	<b>(47,147)</b>	<b>(346,621)</b>	<b>(1,357,623)</b>
<b>Gross profit</b>	<b>3,497,315</b>	<b>42,792</b>	<b>19,606</b>	<b>3,559,713</b>
12-month period ended 31 December 2024				
Revenue	5,657,331	1,192,007	457,398	7,306,736
Cost of sales	(2,362,850)	(1,152,751)	(346,220)	(3,861,821)
Gross profit	3,294,481	39,256	111,178	3,444,915

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

	<u>Group</u>	
	<b>12-month period ended 31 December 2025 RMB'000</b>	12-month period ended 31 December 2024 RMB'000
Sale of goods recognised at point in time	<b>4,905,898</b>	7,299,855
Revenue recognised over time	<b>11,438</b>	6,881
	<b>4,917,336</b>	7,306,736

## 3. Income tax

### 3A. Components of tax expense/(benefit) recognised in profit or loss

	<u>Group</u>	
	<b>12-month period ended 31 December 2025 RMB'000</b>	12-month period ended 31 December 2024 RMB'000
<u>Current tax</u>		
Current tax expense	<b>409,057</b>	420,646
Adjustments in respect of prior years	-	(8,301)
	<b>409,057</b>	412,345
<u>Deferred tax</u>		
Deferred tax expense	<b>(32,355)</b>	(48,781)
	<b>376,702</b>	363,564

### 3B. Adjustments for current tax

	<u>Group</u>	
	<b>12-month period ended 31 December 2025 RMB'000</b>	12-month period ended 31 December 2024 RMB'000
Profit before tax	<b>2,487,453</b>	2,578,783
Less : Share of results of equity-accounted associates	<b>(18,315)</b>	(168,208)
	<b>2,505,768</b>	2,410,575
Income tax expense at tax rate of 25%	<b>626,442</b>	602,644
Effect of concessionary tax rate at 15%	<b>(260,928)</b>	(237,533)
Non-deductible items	<b>6,663</b>	13,921
Non-taxable items	<b>(29,547)</b>	(27,805)
Unrecognised deferred tax assets	<b>34,072</b>	20,638
Adjustments in respect of prior years	-	(8,301)
	<b>376,702</b>	363,564

#### 4. Disposal of subsidiaries

In May 2025, the Company received a Civil Ruling (《民事裁定书》) and a Decision (《决定书》) issued by the Tianjin Binhai New Area People's Court (天津市滨海新区人民法院), which ruled that the application for the bankruptcy liquidation of Tianjin Shin Poong Pharmaceutical Co., Ltd. (天津新丰制药有限公司) (“**Shin Poong**”) be accepted and that a bankruptcy administrator be appointed. Since the appointment of the bankruptcy administrator on 22 May 2025, the Company has no longer been considered to have control over Shin Poong. Accordingly, the financial results of Shin Poong have been deconsolidated from the Group's consolidated financial statements with effect from 22 May 2025. Please refer to the announcements dated 14 August 2025, 29 August 2025, 30 September 2025, 30 October 2025, 28 November 2025, 31 December 2025, 30 January 2026, 27 February 2026 and 30 March 2026 made by the Company for further details.

Notwithstanding the above, 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

	12-month period ended 31 December 2025 RMB'000	12-month period ended 31 December 2024 RMB'000
Type	Cash	Cash
Dividend rate	RMB1.28 per ordinary share	RMB1.28 per ordinary share
Record date	26 June 2025	3 July 2024
Date paid or payable	4 July 2025	12 July 2024

The total dividends paid on ordinary shares for the financial year ended 31 December 2024 (“**FY2024**”) were RMB985,802,593.28 (FY2023: RMB985,802,593.28).

In addition, for the third quarter ended 30 September 2025, an interim dividend of RMB2.45 (inclusive of taxes) per ordinary share was approved on 15 December 2025 and paid on 12 February 2026. The total amount of such interim dividend was RMB1,886,731,172.2 (3Q FY2024: Nil).

## 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, during the current financial period reported on, the Group did not acquire any shares of a company that would result in such company becoming a subsidiary or an associated company of the Company, nor did it acquire any shares that would increase the Company's shareholding percentage in a subsidiary or an associated company.

## 7. Investments in subsidiaries

	Company	
	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000
Movements during the period:		
At beginning of the period	1,048,534	1,652,454
Additions	3,000	35,100
Reductions	(118,130)	(639,020)
At the end of the period	933,404	1,048,534

During the current financial period reported on, the Company made an additional capital contribution to Tianjin Zhongxin Xinxin Pharmaceutical (Cangzhou) Co., Ltd. (天津中新药业集团新新 (沧州) 有限公司). Impairment provisions were recognised on the Company's equity investments in two subsidiaries, namely NewScen Coast Bio-Pharmaceutical Co., Ltd. (天津中新科炬生物制药股份有限公司) and Tianjin Zhongxin Xinxin Pharmaceutical (Cangzhou) Co., Ltd. (天津中新药业集团新新 (沧州) 有限公司).

## 8. Investments in associates

	<u>Group</u>	
	<b>As at 31 December 2025 RMB'000</b>	As at 31 December 2024 RMB'000
Movements in carrying value:		
At beginning of the period	<b>1,293,528</b>	882,307
Share of profit of associates	<b>(21,966)</b>	168,208
Dividends	<b>(14,400)</b>	(354,087)
Additions	-	659,047
Partial disposal of an associate	<b>80,537</b>	(55,424)
Other equity movements	<b>(10,963)</b>	(6,523)
At end of the period	<b>1,165,662</b>	1,293,528

## 9. Other financial assets

	<u>Group</u>	
	<b>As at 31 December 2025 RMB'000</b>	As at 31 December 2024 RMB'000
<b>Other financial assets - current assets</b>		
Investment in debt instruments at amortised cost	<b>3,316,008</b>	1,000,072
<b>Other financial assets - non- current assets</b>		
Investment in debt instruments at amortised cost	<b>1,427,139</b>	771,869
Investment in equity instruments at fair value through other comprehensive income	-	92
	<b>1,427,139</b>	771,961
	<b>4,743,147</b>	1,772,033

## 10. Other non-financial assets

	Group	
	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000
<b>Current assets</b>		
Prepayments	32,912	25,339
Value-added taxes recoverable	45,116	27,618
Income tax recoverable	852	24
Right of return assets	6,542	-
	<b>85,422</b>	52,981
<b>Non-current assets</b>		
Prepayment	38,347	26,031
	<b>123,769</b>	79,012

## 11. Trade and other receivables

	Group	
	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000
<b>Trade receivables</b>		
Bills receivable	598,111	560,062
Interest receivable		
Third parties	704,044	664,613
Associates	151,749	16,527
Related parties	223,877	174,218
Less: Allowance for credit impaired	(17,666)	(15,399)
Less: Allowance for expected credit losses	(88,800)	(83,666)
	<b>1,571,315</b>	1,316,355
<b>Other receivables</b>		
Interest receivable	3,016	-
Third parties	47,545	25,890
Associates	17,522	17,522
Related parties	3,215	3,961
Less: Allowance for expected credit losses	(38,919)	(38,839)
	<b>32,379</b>	8,534
<b>Total</b>	<b>1,603,694</b>	1,324,889

The ageing of the trade receivables balances were as follows:

	<u>Group</u>		
	<u>Gross amount</u> RMB'000	<u>ECL</u> %	<u>Loss allowance</u> RMB'000
<b>As at 31 December 2025</b>			
<b>Within 1 year</b>	<b>946,369</b>	<b>0.13</b>	<b>1,227</b>
<b>1 – 2 years</b>	<b>30,853</b>	<b>20.00</b>	<b>6,171</b>
<b>2 – 3 years</b>	<b>6,761</b>	<b>50.00</b>	<b>3,381</b>
<b>Over 3 years</b>	<b>78,021</b>	<b>100.00</b>	<b>78,021</b>
<b>Total</b>	<b>1,062,004</b>		<b>88,800</b>
As at 31 December 2024			
Within 1 year	740,140	0.13	958
1 – 2 years	20,787	20.00	4,157
2 – 3 years	963	50.00	482
Over 3 years	78,069	100.00	78,069
Total	839,959		83,666

## 12. Goodwill

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

### 13. Share capital and treasury shares

	<u>Group</u>			
	Number of ordinary shares		Amount of share capital	
	<b>As at 31 December 2025 '000</b>	As at 31 December 2024 '000	<b>As at 31 December 2025 RMB'000</b>	As at 31 December 2024 RMB'000
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 30 September 2025.

The Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 31 December 2025 and 31 December 2024.

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

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

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

	<u>Secured</u>		<u>Unsecured</u>	
	<b>As at 31</b>	As at 31	<b>As at 31</b>	As at 31
	<b>December</b>	December 2024	<b>December</b>	December 2024
	<b>2025</b>	RMB'000	<b>2025</b>	RMB'000
	<b>RMB'000</b>	RMB'000	<b>RMB'000</b>	RMB'000
<u>Repayable in</u>				
<u>one year or</u>				
<u>less, or on</u>				
<u>demand:</u>				
Bank	-	-	<b>57,903</b>	21,653
borrowings	-	-	<b>57,903</b>	21,653
Subtotal	-	-	<b>57,903</b>	21,653
 <u>Repayable after</u>				
<u>one year:</u>				
Bank	-	-	-	-
borrowings	-	-	-	-
Subtotal	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>57,903</b>	<b>21,653</b>

#### 15. Trade and other payables

	<u>Group</u>	
	<b>As at 31 December</b>	As at 31 December
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>Trade payables</b>		
Bills payable	-	-
Third parties	<b>213,930</b>	277,578
Associates	<b>3,332</b>	5,536
Related parties	<b>792</b>	1,398
Employee benefits payables	<b>225,051</b>	270,086
	<b>443,105</b>	554,598
<b>Other payables</b>		
Third parties	<b>1,753,631</b>	1,647,097
Taxes payables	<b>86,719</b>	37,908
Dividend and interest payable	<b>1,919,093</b>	27,525
Associates	-	23,485
Related parties	<b>10,182</b>	19,264
Subtotal	<b>3,769,625</b>	1,755,279
<b>Total</b>	<b>4,212,730</b>	<b>2,309,877</b>

**16. Capital commitments**

	<u>Group</u>	
	<b>As at 31 December 2025 RMB'000</b>	As at 31 December 2024 RMB'000
Contractual obligations to purchase and construct	<b>17,938</b>	2,680

**17. Categories of financial assets and liabilities**

	<u>Group</u>	
	<b>As at 31 December 2025 RMB'000</b>	As at 31 December 2024 RMB'000
<b>Financial assets</b>		
Financial assets at amortised cost	<b>7,363,268</b>	6,041,263
Financial assets at fair value through other comprehensive income	-	92
	<b>7,363,268</b>	6,041,355
<b>Financial liabilities</b>		
Financial liabilities at amortised cost	<b>4,222,912</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 the 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	
	12-month period ended 31 December 2025	12-month period ended 31 December 2024
	RMB	RMB
Based on weighted average number of ordinary shares in issue	2.77	2.90

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 December 2025	As at 31 December 2024	As at 31 December 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	9.22	10.19	9.34	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 for the financial year ended 31 December 2025 ("FY2025") was approximately RMB4,917.34 million, a decrease of approximately RMB2,389.40 million, or 33%, as compared to approximately RMB7,306.74 million for 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, while the Company's industrial revenue increased compared to the same period last year.

(b) Gross Profit Margin:

The Group's gross profit in FY2025 increased by approximately 3% from approximately RMB3,444.92 million in FY2024 to approximately RMB3,559.71 million in FY2025. The gross profit margin has increased by 25% from 47% in FY2024 to 72% in 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 increased slightly.

(c) Other Gains:

Other gains in FY2025 were approximately RMB1,649.61 million, a decrease of approximately RMB140.42 million over the previous corresponding period. The decrease was mainly attributable to (i) the gain of approximately RMB1,542.93 million from the disposal of the remaining 12% equity interest in Sino-American Tianjin SmithKline & French Lab., Ltd. (中美天津史克制药有限公司) ("**Sino-American Tianjin**"); and (ii) the recognition of a disposal gain of approximately RMB17.37 million following the court's ruling for acceptance of the application for the bankruptcy liquidation of the former subsidiary Tianjin Shin Poong Pharmaceutical Co., Ltd. (天津新丰制药有限公司) (i.e. Shin Poong), which was subsequently excluded from the Group's consolidated financial statements with effect from 22 May 2025, being the date on which the bankruptcy administrator was appointed by the court.

(d) Major Expenses:

(i) Marketing and distribution costs in FY2025 were approximately RMB2,025.61 million, representing an increase of RMB25.64 million, or 1%, from approximately RMB1,999.98 million in the previous corresponding period. Marketing and distribution expenses remained relatively stable year-on-year. Due to changes in the Group's consolidation scope, the data of TJZX Medicine was excluded from the current period. After excluding the impact of TJZX Medicine

from the prior year for comparison, marketing and distribution expenses increased in line with revenue growth, while the expense-to-revenue ratio remained broadly unchanged.

(ii) Research and Development costs in FY2025 were approximately RMB189.81 million, an increase of approximately RMB27.43 million, or 17%, from approximately RMB162.38 million in the previous corresponding period. This increase was mainly due to higher R&D investment compared to the same period in FY2024.

(iii) Administrative expenses in FY2025 were approximately RMB402.60 million, a decrease of approximately RMB74.70 million, or 16%, from approximately RMB477.30 million in the previous corresponding period. The decrease was mainly due to changes in the Group's consolidation scope, as the current year no longer includes the data of TJZX Medicine. After excluding the impact of TJZX Medicine from the prior year for comparison, administrative expenses decreased slightly year-on-year.

(iv) Finance costs in FY2025 decreased by approximately RMB29.67 million from approximately RMB30.64 million to approximately RMB0.97 million. This was mainly due to changes in the Company's consolidation scope, which excluded the data of TJZX Medicine from the current period's finance costs, whereas the previous corresponding period included the interest expenses of TJZX Medicine's external borrowings.

(v) In FY2025, the Group's other losses amounted to approximately RMB163.27 million, a decrease of approximately RMB19.66 million, or 11%, compared to approximately RMB182.93 million in the previous year. The decrease was mainly due to lower impairment losses recognised on trade receivables, inventories and other assets compared to the previous corresponding period.

(e) Share of profits of associated companies:

The Group's share of profits of associated companies in FY2025 was approximately RMB18.32 million, a decrease of approximately RMB149.89 million, or 89%, from approximately RMB168.21 million in the previous corresponding period. The decrease was mainly due to the phased disposal of the Group's 25% equity interest in a former associate, Sino-American Tianjin, from the end of last year to the current reporting period. As a result, the Group no longer recognises any share of profit from Sino-American Tianjin in the current period, whereas the previous corresponding period included a contribution of approximately RMB140.37 million from Sino-American Tianjin.

(f) Total comprehensive income:

In FY2025, the Group recorded a total comprehensive income (net of tax) of approximately RMB2,107.89 million, a decrease of approximately RMB99.92 million, or 5%, compared to approximately RMB2,207.81 million in the previous year. The decrease was mainly due to the disposal of the Group's remaining 12% equity interest in its former associate, Sino-American Tianjin, during the current period, compared to the disposal of a 13% equity interest in the

previous corresponding period, resulting in a decrease in after-tax net gain of approximately RMB146.67 million.

(g) Major changes in statement of financial positions:

As at 31 December 2025, the Group's cash and cash equivalents amounted to approximately RMB1,016.43 million, which was a decrease of approximately RMB1,928.01 million, or 65%, over the balance as at 31 December 2024. The change was mainly because, during the current period, the Group received approximately RMB1,623.47 million in proceeds from disposing of the remaining 12% equity interest in Sino-American Tianjin, while cash outflows included approximately RMB981.09 million in dividend payments and approximately RMB2,925 million for purchases of large-denomination certificates of deposit and similar deposit products.

Trade and other receivables increased by approximately 21% or RMB278.81 million to approximately RMB1,603.69 million as at 31 December 2025.

As at 31 December 2025, the Group's payables and other payables were RMB4,212.73 million, an increase of RMB1,902.85 million, or 82%, from RMB2,309.88 million at the beginning of the year. This increase was mainly due to declared cash dividends remaining unpaid as at 31 December 2025.

Inventories were approximately RMB1,132.97 million as at 31 December 2025, which was a decrease of approximately RMB152.72 million, or 12%, over the balance as at 31 December 2024.

As at 31 December 2025, the Group's investment properties amounted to approximately RMB110.37 million, an increase of approximately RMB99.09 million, or 878%, compared to the beginning of the year. The increase was mainly attributable to the reclassification of the Company's properties located in the Beichen District to investment properties following their lease to third parties.

As at 31 December 2025, the Group's investment in associates amounted to approximately RMB1,165.66 million, a decrease of approximately RMB127.87 million, or 10%, compared to the beginning of the year.

Other financial assets increased by approximately RMB2,971.12 million or 168% to approximately RMB4,743.15 million. This was mainly due to the purchase of large-denomination certificate of deposit products and other deposit-type financial products totaling approximately RMB2.92 billion during the current period.

As at 31 December 2025, the Group's fixed assets amounted to approximately RMB1,134.00 million, representing a decrease of approximately RMB252.80 million, or 18%, compared to the beginning of the year.

(h) Changes in cash flow position:

In FY2025, the Group generated net cash inflow from operating activities of approximately RMB419.23 million, representing a decrease of approximately RMB476.67 million, or 53%, from approximately RMB895.90 million in the previous year. This was mainly due to the payment of income tax during the period arising from the disposal of the Company's equity interest in its former associate, Sino-American Tianjin, on two separate occasions (being the 13% disposal in FY2024 and the remaining 12% disposal in FY2025), totaling approximately RMB491.17 million.

Net cash outflow from investing activities amounted to approximately RMB1,366.14 million, compared to a net inflow of approximately RMB371.08 million in the prior year, representing a decrease of approximately RMB1,737.22 million. The change was mainly because the previous corresponding period included proceeds from the disposal of equity interest in Sino-American Tianjin, while the Group purchased large-denomination certificates of deposit and other deposit-type products during FY2025.

Net cash outflow from financing activities was approximately RMB980.88 million, a decrease of approximately RMB660.99 million compared to a net outflow of approximately RMB319.89 million in the prior year. The change was mainly due to the change in the Group's consolidation scope, as the current period no longer includes the data of TJZX Medicine, whereas the previous corresponding period included TJZX Medicine's external borrowings from financial institutions.

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

There was no forecast or a 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**

In 2025, the traditional Chinese medicine ("TCM") proprietary products industry entered a critical transition period of high-quality development. Amid the interplay of multiple factors including policies, market dynamics and technological advancements, the industry faces unprecedented development opportunities while also needing to evolve amid ongoing transformation.

From an opportunity perspective, the policy environment continues to improve. Reforms in TCM drug review and approval mechanisms continue to deepen, creating a fast track for innovative TCM products with clinical value and stimulating corporate R&D vitality. On the demand side, market demand continues to show strong and resilient growth. Accelerated population ageing, the rising prevalence of chronic disease management and the widespread adoption of "preventive healthcare" philosophy have broadened the application prospects of TCM proprietary products in areas such as health supplements, rehabilitation and wellness, with

increasing demand for consumer-oriented products. Meanwhile, technological transformation is injecting new momentum into the traditional industry. The adoption of intelligent manufacturing technologies is gradually transforming TCM production methods, improving product quality consistency and production efficiency. Big data, artificial intelligence and other technologies are also beginning to penetrate new drug R&D and clinical validation processes, promoting evidence-based medicine research and supporting the modernisation of TCM. Furthermore, channel reforms integrating online and offline platforms, particularly the deepening of "Internet + Pharmaceutical", are providing branded TCM products with broader market reach and more precise marketing opportunities.

As the industry continues to advance, it is also undergoing profound self-adjustment. At the policy level, the normalisation of volume-based procurement is guiding the industry towards greater cost-effectiveness, prompting companies to optimise internal management and improve operational efficiency. The comprehensive upgrade of the regulatory framework, particularly the increasingly stringent drug quality standards and traceability requirements, has set higher benchmarks for the industry, encouraging companies to strengthen quality control across the entire process from sourcing to production, and achieve a transition from traditional production methods to modernised and standardised management. The evolving market environment also brings new challenges: traditional retail channels are experiencing structural traffic adjustments, while the rapid growth of online channels tests companies' brand adaptability and digital service capabilities.

As a full-industry-chain modern TCM enterprise, the Group leverages its time-honoured brand heritage, exclusive product portfolio and complete industrial chain to continuously strengthen its brand building, marketing transformation, R&D innovation, quality control and organisational management. Sales of core product have maintained steady growth, while new retail initiatives, academic promotion and international market expansion proceed in parallel. Scientific research is focused on in-depth studies of clinical value, while the supply chain and production processes continue to enhance quality and efficiency. Internal management and organisational structures are continuously optimised, leading to sustained improvements in brand influence, product competitiveness and operational efficiency, further consolidating the Group's core competitive advantages. In 2026, the Company will adopt a brand-led strategy as its core, focusing on advancing R&D innovation, marketing transformation, operational excellence, organisational revitalisation and strategic coordination to drive high-quality development.

## 24. Dividend

For the third quarter ended 30 September 2025, an interim dividend of RMB2.45 (inclusive of taxes) per ordinary share was approved on 15 December 2025 and paid on 12 February 2026. The total amount of such interim dividend was RMB1,886,731,172.2 (3Q FY2024: Nil).

The Directors propose to seek approval from the shareholders of the Company (the “**Shareholders**”) to declare a final dividend of RMB1,802,020,793.04, on the basis of RMB23.4 for every ten (10) shares in the capital of the Company. The proposed dividend is subject to approval by Shareholders at the forthcoming annual general meeting for FY2025 to be held on 15 May 2026, and has therefore not been recognised as a liability in these condensed consolidated interim financial statements of the Company and/or Group. Upon obtaining the Shareholders’ approval, the proposed dividend will be payable in respect of all ordinary shares issued in the capital of the Company as at the record date to be determined by the Company for the purposes of determining Shareholders’ entitlements to the proposed dividend.

The proposed dividend is subject to applicable tax rates as set out below:

(i) S-Shares

The dividend payable to S-Shareholders shall be subject to a tax rate of 10% under the PRC tax law.

(ii) A-Shares

The dividend payable to A-Shareholders shall be subject to the differential tax rates as set out under the PRC tax law. A-Shareholders should consult their own tax advisers concerning the tax consequences in relation to any dividends paid by the Company.

The record date and payment date for the proposed dividend will be announced by the Company in due course.

## 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>12-month period ended 31 December</u>	
	<u>2025</u> RMB'000	<u>2024</u> RMB'000
Sale of goods to associates	195,109	413
Purchase of goods from associates	(22,984)	(71,106)
Interest income from an associate	10,510	18,850
Interest expense payable to an associate	-	(13,984)
Rental income from an associate 从联营公司取得的租赁收入	2,261	-

	<u>12-month period ended 31 December</u>	
	<u>2025</u> RMB'000	<u>2024</u> RMB'000
Sale of goods to related companies	347,656	208,104
Purchase of goods from related companies	(12,911)	(324,131)
Rental expenses to related companies	(3,491)	(3,951)
Rental income from related companies	3,401	264
Purchase of fixed assets from a related company	(5)	(183)

## 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 2025 for FY2024. 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 164 to 186 of the Company’s annual report for FY2024) 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**”) accompanying the notice of annual general meeting in relation to the foregoing IPT for further details. For the avoidance of doubt, the Company has sought and obtained Shareholders’ approval for its entry into the aforesaid financial services agreement as a specific IPT. Therefore, the value of transactions conducted thereunder is not disclosed as transactions covered under the IPT General Mandate pursuant to Rule 920 of the Listing Manual.

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>12-month period ended 31 December 2025</b>	12-month period ended 31 December 2024	<b>12-month period ended 31 December 2025</b>	12-month period ended 31 December 2024
		RMB’000	RMB’000	RMB’000	RMB’000
Tianjin Pharmaceutical Group Finance	Subsidiary of Tianjin Pharmaceutical	The interest payable on the credit			

Co., Ltd (天津医药集团财务有限公司) (i.e., TPGF)	Holdings Co., Ltd. (天津市医药集团有限公司) (“TPH”), the controlling shareholder of the Company	facilities provided by TPGF: -	13,984	-	-
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) (“Taiping Medicine”), in which the Company and TPH hold 43.35% and 56.65%, respectively	Provision of guarantee by the Company for TJZX Medicine: <b>126,217</b>	-	-	-
Taiping Medicine	Subsidiary of TPH	Provision of guarantee by the Company for Taiping Medicine: <b>116,918</b>	-	-	-
Taiping Medicine	Subsidiary of TPH	Rent payable by Taiping Medicine: <b>14,786</b>	-	-	-
Total		<b>257,921</b>	13,984	-	-

Note(s):

1. As at 30 December 2025, the placement of deposit with TPGF amounted to approximately RMB1,401.904 million.
2. During the current financial period reported on, the Company entered into a lease agreement (房屋租赁合同) with Taiping Medicine. The lease, which was approved by the Board at the 4<sup>th</sup> Board meeting for FY2025 held on 20 June 2025, commenced on 1 July 2025 and has a term of three (3) years. The total rent payable over the lease term is RMB14,785,800 (inclusive of tax).

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 RMB1,401.904 million placed with TPGF as at 31 December 2025 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	741,904.24	660,000.00	1,401,904.24

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 IPT. However, the deposit of approximately RMB1,401.904 million placed with TPGF as at 31 December 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.