

TIANJIN PHARMACEUTICAL DA REN TANG GROUP CORPORATION LIMITED
(Formerly known as Tianjin Zhong Xin Pharmaceutical Group Corporation Limited)
(Company Registration No.91120000103100784F)
(Incorporated in the People's Republic of China)

**RESPONSE TO SGX QUERIES ON UNAUDITED INTERIM RESULTS FOR THE 9-MONTH PERIOD
ENDED 30 SEPTEMBER 2022**

All capitalised terms used herein, unless the context otherwise requires, shall bear the meanings ascribed to them in the 9M2022 Results Announcement (as defined below).

Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) has received queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) regarding the Company's unaudited interim results for the 9-month period ended 30 September 2022 (“**9M2022**”) announced on 28 October 2022 (the “**9M2022 Results Announcement**”). The Company's responses to the SGX-ST's queries are set out below:-

SGX Query 1

For other receivables of RMB355.7 million, please disclose the underlying transactions, the terms of the transactions (including the contract sum), terms of payment, and whether this was incurred in the ordinary course of business. Please also explain the material increase in other receivables from RMB25.2 million as at 31 December 2021.

Company's response:

The other receivables of RMB 355.7 million are generated from Company's daily ordinary business operations, which are mainly comprised by customer current accounts, security deposits and other deposits, etc. At the end of 30 September 2022, the increase of other receivables is mainly due to RMB 300 million acquisition deposit paid to the Tianjin Darentang Jingwanhong Pharmaceutical Co., Ltd.'s minority shareholders for the acquisition of their minority equity interests.

SGX Query 2

For other non-financial liabilities of RMB89.9 million, please disclose the underlying transactions, the terms of the transactions (including the contract sum), terms of payment, and whether this was incurred in the ordinary course of business. Please also explain the material decrease in other non-financial liabilities from RMB215.6 million as at 31 December 2021.

Company's response:

The other non-financial liabilities of RMB89.9 million are contract liabilities generated from the Company's daily ordinary business operations. The decrease of RMB 120 million is mainly due to the significant decrease in advance payments from customers.

SGX Query 3

For other payables of RMB1.06 billion, please disclose the underlying transactions, the terms of the transactions (including the contract sum), terms of payment, and whether this was incurred in the ordinary course of business. Please also explain the material increase in other payables from RMB770.6 million as at 31 December 2021.

Company's response:

The other payables of RMB1.06 billion are generated from the Company's daily ordinary business operations. The other payables are mainly comprised by accrued sales expenses; various taxes payables; and unpaid dividends. The detailed classification and movements are shown in the table below:

Project	Balance as at 30 September 2022 RMB'000	Balance as at 1 January 2022 RMB'000	Change RMB'000
Other payables	1,059,458	770,577	288,881
Include: Accrued expenses	686,148	503,091	183,057
Account payables for customers	250,162	217,213	32,949
Tax payables	105,254	34,548	70,706

By Order of the Board

Jiao Yan
Secretary to the Board of Directors
9 November 2022