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**Tong Ren Tang Technologies Co. Ltd.**  
**北京同仁堂科技發展股份有限公司**

*( a joint stock limited company incorporated in the People's Republic of China with limited liability )*  
( Stock Code: 1666 )

**ANNOUNCEMENT ON RESULTS OF SUBSIDIARY**

Reference is made to the announcement (the “**Announcement**”) dated 8 August 2017 published by Beijing Tong Ren Tang Chinese Medicine Company Limited (“**Tong Ren Tang Chinese Medicine**”), a subsidiary of Tong Ren Tang Technologies Co. Ltd. (the “**Company**”) whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (stock code: 8138), in relation to the interim results of Tong Ren Tang Chinese Medicine and its subsidiaries for the six months ended 30 June 2017.

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company would like to draw the attention of its shareholders and the public investors to the following unaudited financial information of Tong Ren Tang Chinese Medicine and its subsidiaries for the six months ended 30 June 2017 as set out in the Announcement.

## CONDENSED CONSOLIDATED INCOME STATEMENT

	Unaudited	
	Six months ended	
	30 June	
	2017	2016
	HK\$'000	HK\$'000
Revenue	623,775	541,950
Cost of sales	(163,683)	(141,669)
<b>Gross profit</b>	<b>460,092</b>	400,281
Distribution and selling expenses	(95,715)	(71,915)
General and administrative expenses	(50,018)	(44,573)
Other gains	869	2,362
<b>Operating profit</b>	<b>315,228</b>	286,155
Finance income	6,229	4,050
Finance costs	(17)	(18)
Finance income, net	6,212	4,032
Share of losses of investments accounted for using the equity method	(398)	(1,491)
<b>Profit before income tax</b>	<b>321,042</b>	288,696
Income tax expense	(55,018)	(49,645)
<b>Profit for the period</b>	<b>266,024</b>	239,051
<b>Profit attributable to:</b>		
Owners of the Company	257,349	228,552
Non-controlling interests	8,675	10,499
	<b>266,024</b>	239,051
<b>Earnings per share attributable to owners of the Company (expressed in HK\$ per share)</b>		
Basic and diluted	<b>0.31</b>	0.27

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
<b>Profit for the period</b>	<b>266,024</b>	239,051
<b>Other comprehensive income:</b>		
<i>Item that may be reclassified to profit or loss</i>		
Change in value of available-for-sale financial asset	1,500	–
Currency translation differences	10,360	4,133
<b>Other comprehensive income/(loss) for the period</b>	<b>11,860</b>	4,133
<b>Total comprehensive income for the period</b>	<b>277,884</b>	243,184
<b>Attributable to:</b>		
Owners of the Company	266,516	230,984
Non-controlling interests	11,368	12,200
<b>Total comprehensive income for the period</b>	<b>277,884</b>	243,184

## CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited 30 June 2017 HK\$'000	Audited 31 December 2016 HK\$'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Leasehold land	16,281	16,551
Property, plant and equipment	267,730	256,012
Intangible assets	80,250	81,279
Investments accounted for using the equity method	19,913	19,810
Available-for-sale financial asset	14,813	13,313
Deposits paid for purchase of property, plant and equipment	1,625	1,221
Deferred income tax assets	11,646	9,990
	412,258	398,176
<b>Current assets</b>		
Inventories	240,017	178,539
Trade receivables and other current assets	233,750	194,506
Short-term bank deposits	1,141,358	786,044
Cash and cash equivalents	545,138	797,557
	2,160,263	1,956,646
<b>Total assets</b>	<b>2,572,521</b>	2,354,822
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	938,789	938,789
Reserves		
— Other reserves	(15,476)	(26,301)
— Retained earnings	1,331,808	1,210,053
	2,255,121	2,122,541
Non-controlling interests	113,118	104,696
<b>Total equity</b>	<b>2,368,239</b>	2,227,237

## CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

	<b>Unaudited</b>	Audited
	<b>30 June</b>	31 December
	<b>2017</b>	2016
	<b>HK\$'000</b>	HK\$'000
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	<b>596</b>	556
Deferred income tax liabilities	<b>3,703</b>	4,138
	<b>4,299</b>	4,694
<b>Current liabilities</b>		
Trade and other payables	<b>133,159</b>	88,372
Current income tax liabilities	<b>66,824</b>	34,519
	<b>199,983</b>	122,891
<b>Total liabilities</b>	<b>204,282</b>	127,585
<b>Total equity and liabilities</b>	<b>2,572,521</b>	2,354,822

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited								
	Attributable to owners of the Company								
	Share capital HK\$'000	Merger reserve HK\$'000	Other reserve HK\$'000	Statutory reserve HK\$'000	Exchange reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
<b>At 1 January 2016</b>	938,789	(13,124)	830	4,130	(14,643)	899,726	1,815,708	93,207	1,908,915
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	228,552	228,552	10,499	239,051
<b>Other comprehensive loss</b>									
Currency translation differences									
— the Group	-	-	-	-	1,813	-	1,813	1,701	3,514
— Joint ventures and an associate	-	-	-	-	619	-	619	-	619
<b>Total comprehensive income</b>	-	-	-	-	2,432	228,552	230,984	12,200	243,184
<b>Transactions with owners in their capacity as owners</b>									
Transfer of retained earnings to statutory reserve	-	-	-	1,030	-	(1,030)	-	-	-
Dividends relating to 2015 paid in May 2016 (Note 10)	-	-	-	-	-	(108,823)	(108,823)	(9,800)	(118,623)
Capital injection into subsidiaries	-	-	-	-	-	-	-	4,047	4,047
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	1,030	-	(109,853)	(108,823)	(5,753)	(114,576)
<b>At 30 June 2016</b>	938,789	(13,124)	830	5,160	(12,211)	1,018,425	1,937,869	99,654	2,037,523
<b>At 1 January 2017</b>	<b>938,789</b>	<b>(13,124)</b>	<b>355</b>	<b>5,295</b>	<b>(18,827)</b>	<b>1,210,053</b>	<b>2,122,541</b>	<b>104,696</b>	<b>2,227,237</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	257,349	257,349	8,675	266,024
<b>Other comprehensive income</b>									
Change in value of available-for-sale financial asset	-	-	1,500	-	-	-	1,500	-	1,500
Currency translation differences									
— the Group	-	-	-	-	7,167	-	7,167	2,693	9,860
— Joint ventures and an associate	-	-	-	-	500	-	500	-	500
<b>Total comprehensive income</b>	-	-	1,500	-	7,667	257,349	266,516	11,368	277,884
<b>Transactions with owners in their capacity as owners</b>									
Transfer of retained earnings to statutory reserve	-	-	-	1,658	-	(1,658)	-	-	-
Dividends relating to 2016 paid in May 2017 (Note 10)	-	-	-	-	-	(133,936)	(133,936)	(14,678)	(148,614)
Capital injection into subsidiaries	-	-	-	-	-	-	-	11,732	11,732
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	1,658	-	(135,594)	(133,936)	(2,946)	(136,882)
<b>At 30 June 2017</b>	<b>938,789</b>	<b>(13,124)</b>	<b>1,855</b>	<b>6,953</b>	<b>(11,160)</b>	<b>1,331,808</b>	<b>2,255,121</b>	<b>113,118</b>	<b>2,368,239</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited	
	Six months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
<b>Net cash generated from operating activities</b>	<b>249,054</b>	251,562
<b>Cash flows from investing activities</b>		
Interest received	6,249	4,050
Increase in short-term bank deposits with original maturities exceeding three months	(355,314)	(53,893)
Purchase of property, plant and equipment	(18,907)	(7,371)
Proceeds from disposal of property, plant and equipment	40	–
Deposit paid for purchase of property, plant and equipment	(697)	(1,498)
<b>Net cash used in investing activities</b>	<b>(368,629)</b>	(58,712)
<b>Cash flows from financing activities</b>		
Capital injection by non-controlling interests	11,732	4,047
Dividends paid to the Company's shareholders	(133,936)	(108,823)
Dividends paid to non-controlling shareholders	(14,678)	(9,800)
<b>Net cash used in financing activities</b>	<b>(136,882)</b>	(114,576)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(256,457)</b>	78,274
Cash and cash equivalents at beginning of period	797,557	759,860
Exchange gains on cash and cash equivalents	4,038	1,242
<b>Cash and cash equivalents at end of period</b>	<b>545,138</b>	839,376
<b>Analysis of balances of cash and cash equivalents</b>		
Cash at bank and on hand and deposits with banks with original maturity within three months	545,138	839,376

By order of the Board  
**Tong Ren Tang Technologies Co. Ltd.**  
**Gao Zhen Kun**  
*Chairman of the Board*

Beijing, the PRC  
8 August 2017

*As at the date of this announcement, the Board comprises Mr. Gao Zhen Kun, Mr. Gu Hai Ou, Mr. Rao Zu Hai, Mr. Li Bin, Mr. Wang Yu Wei and Ms. Fang Jia Zhi as executive Directors; Miss Tam Wai Chu, Maria, Mr. Ting Leung Huel, Stephen and Mr. Jin Shi Yuan as independent non-executive Directors.*