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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 11 March 2019 and 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**”) and whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 3613), in relation to the annual results of Tong Ren Tang Chinese Medicine and its subsidiaries for the year ended 31 December 2018.

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 audited financial information of Tong Ren Tang Chinese Medicine and its subsidiaries for the year ended 31 December 2018 as set out in the Announcement.

## CONSOLIDATED INCOME STATEMENT

	Year ended 31 December	
	2018 HK\$'000	2017 HK\$'000
Revenue	1,513,873	1,265,994
Cost of sales	(435,452)	(349,561)
<b>Gross profit</b>	<b>1,078,421</b>	<b>916,433</b>
Distribution and selling expenses	(233,154)	(193,517)
General and administrative expenses	(148,326)	(127,293)
Other net gains	1,073	2,061
<b>Operating profit</b>	<b>698,014</b>	<b>597,684</b>
Finance income	23,392	13,356
Finance costs	(19)	(32)
Finance income, net	23,373	13,324
Share of losses of investments accounted for using the equity method	(489)	(42)
<b>Profit before income tax</b>	<b>720,898</b>	<b>610,966</b>
Income tax expense	(119,575)	(105,454)
<b>Profit for the year</b>	<b>601,323</b>	<b>505,512</b>
<b>Profit attributable to:</b>		
Owners of the Company	580,720	489,967
Non-controlling interests	20,603	15,545
	<b>601,323</b>	<b>505,512</b>
<b>Earnings per share attributable to owners of the Company for the year</b> (expressed in HK\$ per share)		
<b>Basic and diluted earnings per share</b>	<b>0.69</b>	<b>0.59</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2018 HK\$'000	2017 HK\$'000
<b>Profit for the year</b>	<b>601,323</b>	505,512
<b>Other comprehensive income/(losses):</b>		
<i>Items that may be reclassified to profit or loss</i>		
Change in fair value of available-for-sale financial asset	-	2,005
Currency translation differences	<b>(14,386)</b>	16,519
Release of exchange reserve upon liquidation of a joint venture	<b>1,703</b>	-
<i>Item that will not be reclassified to profit or loss</i>		
Change in fair value of financial asset at fair value through other comprehensive income	<b>150</b>	-
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<b>Other comprehensive (losses)/income for the year</b>	<b>(12,533)</b>	18,524
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<b>Total comprehensive income for the year</b>	<b>588,790</b>	524,036
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<b>Attributable to:</b>		
Owners of the Company	<b>571,784</b>	504,287
Non-controlling interests	<b>17,006</b>	19,749
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<b>Total comprehensive income for the year</b>	<b>588,790</b>	524,036
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## CONSOLIDATED BALANCE SHEET

	As at 31 December	
	2018	2017
	HKS'000	HKS'000
<b>Assets</b>		
<b>Non-current assets</b>		
Leasehold land	15,465	16,008
Property, plant and equipment	286,303	263,555
Intangible assets	72,487	79,001
Investments accounted for using the equity method	20,181	20,766
Financial asset at fair value through other comprehensive income	15,468	-
Available-for-sale financial asset	-	15,318
Deposits paid for purchase of property, plant and equipment	2,866	1,988
Deferred income tax assets	11,851	9,132
	<u>424,621</u>	<u>405,768</u>
<b>Current assets</b>		
Inventories	244,535	235,536
Trade receivables and other current assets	236,489	221,570
Short-term bank deposits	1,715,609	1,147,338
Cash and cash equivalents	549,831	750,443
	<u>2,746,464</u>	<u>2,354,887</u>
<b>Total assets</b>	<u><b>3,171,085</b></u>	<u><b>2,760,655</b></u>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	938,789	938,789
Reserves		
- Other reserves	(19,983)	(11,047)
- Retained earnings	1,986,821	1,565,150
	<u>2,905,627</u>	<u>2,492,892</u>
<b>Non-controlling interests</b>	<u>118,600</u>	<u>115,285</u>
<b>Total equity</b>	<u><b>3,024,227</b></u>	<u><b>2,608,177</b></u>

## CONSOLIDATED BALANCE SHEET (CONTINUED)

	As at 31 December	
	2018	2017
	HK\$'000	HK\$'000
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	1,053	605
Deferred income tax liabilities	4,874	4,419
	<u>5,927</u>	<u>5,024</u>
<b>Current liabilities</b>		
Borrowings	166	-
Trade and other payables	119,011	114,486
Current income tax liabilities	21,754	32,968
	<u>140,931</u>	<u>147,454</u>
<b>Total liabilities</b>	<u>146,858</u>	<u>152,478</u>
<b>Total equity and liabilities</b>	<u><u>3,171,085</u></u>	<u><u>2,760,655</u></u>

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

Beijing, the PRC

11 March 2019

*As at the date of this announcement, the Board comprises Mr. Gao Zhen Kun, Mr. Huang Ning, Mr. Wu Le Jun, Ms. Wu Qian, Mr. Wang Yu Wei and Ms. Fang Jia Zhi as executive Directors, Ms. Chan Ching Har, Eliza, Mr. Ting Leung Huel, Stephen and Mr. Zhan Yuan Jing as independent non-executive Directors.*