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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 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 27 October 2017 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 Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (stock code: 8138), in relation to the third quarterly results of Tong Ren Tang Chinese Medicine and its subsidiaries for the nine months ended 30 September 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 nine months ended 30 September 2017 as set out in the Announcement.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Unaudited	
	Nine months ended	
	30 September	
	2017	2016
	HK\$'000	HK\$'000
Revenue	936,236	808,242
Cost of sales	(253,915)	(212,233)
Gross profit	682,321	596,009
Distribution and selling expenses	(139,747)	(110,343)
General and administrative expenses	(78,168)	(69,795)
Other gains	1,675	2,655
Operating profit	466,081	418,526
Finance income	9,919	6,006
Finance costs	(24)	(30)
Finance income, net	9,895	5,976
Share of profit/(loss) of investments accounted for using the equity method	(121)	(2,180)
Profit before income tax	475,855	422,322
Income tax expense	(81,660)	(75,228)
Profit for the period	394,195	347,094
Profit attributable to:		
Owners of the Company	382,107	333,832
Non-controlling interests	12,088	13,262
	394,195	347,094
Earnings per share attributable to owners of the Company (expressed in HK\$ per share)		
Basic and diluted	0.46	0.40

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Nine months ended	
	30 September	
	2017	2016
	HK\$'000	HK\$'000
Profit for the period	394,195	347,094
Other comprehensive income:		
<i>Item that may be reclassified to profit or loss</i>		
Change in value of available-for-sale financial asset	795	–
Currency translation differences	14,241	3,425
Other comprehensive income/ (loss) for the period	15,036	3,425
Total comprehensive income for the period	409,231	350,519
Attributable to:		
Owners of the Company	393,488	335,706
Non-controlling interests	15,743	14,813
Total comprehensive income for the period	409,231	350,519

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
At 1 January 2016	938,789	(13,124)	830	4,130	(14,643)	899,726	1,815,708	93,207	1,908,915
Comprehensive income									
Profit for the period	-	-	-	-	-	333,832	333,832	13,262	347,094
Other comprehensive income									
Currency translation differences									
— the Group	-	-	-	-	1,390	-	1,390	1,551	2,941
— Joint ventures	-	-	-	-	484	-	484	-	484
Total comprehensive income	-	-	-	-	1,874	333,832	335,706	14,813	350,519
Transactions with owners in their capacity as owners									
Transfer of retained earnings to statutory reserve	-	-	-	1,375	-	(1,375)	-	-	-
Payment of dividends relating to 2015	-	-	-	-	-	(108,822)	(108,822)	(10,985)	(119,807)
Capital injection to subsidiaries	-	-	-	-	-	-	-	11,397	11,397
Total transactions with owners in their capacity as owners	-	-	-	1,375	-	(110,197)	(108,822)	412	(108,410)
At 30 September 2016	938,789	(13,124)	830	5,505	(12,769)	1,123,361	2,042,592	108,432	2,151,024
At 1 January 2017	938,789	(13,124)	355	5,295	(18,827)	1,210,053	2,122,541	104,696	2,227,237
Comprehensive income									
Profit for the period	-	-	-	-	-	382,107	382,107	12,088	394,195
Other comprehensive income									
Change in value of available-for-sale financial asset	-	-	795	-	-	-	795	-	795
Currency translation differences									
— the Group	-	-	-	-	9,926	-	9,926	3,655	13,581
— Joint ventures	-	-	-	-	660	-	660	-	660
Total comprehensive income	-	-	795	-	10,586	382,107	393,488	15,743	409,231
Transactions with owners in their capacity as owners									
Transfer of retained earnings to statutory reserve	-	-	-	1,758	-	(1,758)	-	-	-
Payment of dividends relating to 2016	-	-	-	-	-	(133,936)	(133,936)	(15,148)	(149,084)
Capital injection to subsidiaries	-	-	-	-	-	-	-	15,021	15,021
Total transactions with owners in their capacity as owners	-	-	-	1,758	-	(135,694)	(133,936)	(127)	(134,063)
At 30 September 2017	938,789	(13,124)	1,150	7,053	(8,241)	1,456,466	2,382,093	120,312	2,502,405

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

Beijing, the PRC
27 October 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.