



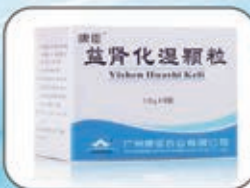
康臣药業集團有限公司

CONSUN PHARMACEUTICAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：1681



2017
Interim Report
中期報告



康臣葯業集團有限公司

CONSUN PHARMACEUTICAL GROUP LIMITED

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. AN Yubao (*Chairman*)
Ms. LI Qian (*Chief Executive Officer*)
Professor ZHU Quan

Non-Executive Director

Mr. LIN Sheng
Mr. WANG Shunlong (resigned, effective from 31 May 2017)

Independent Non-Executive Directors

Mr. SU Yuanfu
Mr. FENG Zhongshi
Ms. CHENG Xinxin

AUDIT COMMITTEE

Ms. CHENG Xinxin (*Chairlady*)
Mr. FENG Zhongshi
Mr. SU Yuanfu (appointed on 31 May 2017)
Mr. WANG Shunlong (resigned, effective from 31 May 2017)

NOMINATION COMMITTEE

Mr. SU Yuanfu (*Chairman*)
Mr. AN Yubao
Ms. CHENG Xinxin

REMUNERATION COMMITTEE

Mr. FENG Zhongshi (*Chairman*)
Ms. LI Qian
Mr. SU Yuanfu

COMPANY SECRETARY

Mr. YAU Chi Ming (*CPA*)
Mr. GAO Haien (resigned, effective from 31 May 2017)

董事

執行董事

安郁寶先生 (*主席*)
黎倩女士 (*總裁*)
朱荃教授

非執行董事

林盛先生
王順龍先生 (已辭任，自2017年5月31日起生效)

獨立非執行董事

蘇元福先生
馮仲實先生
成欣欣女士

審核委員會

成欣欣女士 (*主席*)
馮仲實先生
蘇元福先生 (於2017年5月31日獲委任)
王順龍先生 (已辭任，自2017年5月31日起生效)

提名委員會

蘇元福先生 (*主席*)
安郁寶先生
成欣欣女士

薪酬委員會

馮仲實先生 (*主席*)
黎倩女士
蘇元福先生

公司秘書

丘志明先生 (*執業會計師*)
高海恩先生 (已辭任，自2017年5月31日起生效)

**AUTHORISED REPRESENTATIVES FOR THE
PURPOSE OF THE LISTING RULES**

Mr. AN Yubao
Mr. YAU Chi Ming

就上市規則而言的授權代表

安郁寶先生
丘志明先生

AUDITOR

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road, Central, Hong Kong

核數師

畢馬威會計師事務所
執業會計師
香港中環遮打道10號
太子大廈8樓

LEGAL ADVISER (AS TO HONG KONG LAW)

Li & Partners
22nd Floor
World-Wide House
19 Des Voeux Road Central
Hong Kong

法律顧問（香港法律）

李偉斌律師行
香港
德輔道中19號
環球大廈
22樓

REGISTERED ADDRESS

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75 Fort Street
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Cayman Islands

註冊地址

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Cayman Islands

HEADQUARTERS IN THE PRC

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Eastern section, Guangzhou Economic and
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中國總部

中國廣州
廣州經濟技術開發區
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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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World-Wide House
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Hong Kong

香港主要營業地點

香港
德輔道中19號
環球大廈
22樓

Corporate Information 公司資料

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
BNP Paribas
China Construction Bank
China Merchants Bank
Industrial and Commercial Bank of China
Standard Chartered Bank (Hong Kong) Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

COMPANY WEBSITE

www.chinaconsun.com

STOCK CODE

1681

主要往來銀行

中國銀行(香港)有限公司
法國巴黎銀行
中國建設銀行
招商銀行
中國工商銀行
渣打銀行(香港)有限公司

主要股份過戶登記總處

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港證券登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716號舖

公司網站

www.chinaconsun.com

股份代號

1681

Financial Highlights

財務摘要

For the six months ended 30 June

截至6月30日止六個月

Results	業績	2017	2016	Change
		2017年	2016年	變化
		RMB'000	RMB'000	(%)
		人民幣千元	人民幣千元	(%)
Revenue	收入	769,356	451,852	70.3%
Gross profit	毛利	582,202	356,804	63.2%
Gross profit margin	毛利率	75.7%	79.0%	(3.3%)
Profit before taxation	稅前溢利	268,995	178,138	51.0%
Profit for the period attributable to equity shareholders of the Company	本公司權益股東應佔期內溢利	184,816	145,397	27.1%
Earnings per share (expressed in RMB Yuan per share)	每股盈利 (以每股人民幣元列示)			
Basic	基本	0.2052	0.1507	36.2%
Diluted	攤薄	0.2052	0.1507	36.2%
Dividend per Share (Expressed in RMB Yuan per share)	每股股息 (以每股人民幣元列示)	0.0820	0.0450	82.2%
		30 June 2017	31 December 2016	Change
		2017年	2016年	變化
		6月30日	12月31日	(%)
		RMB'000	RMB'000	(%)
		人民幣千元	人民幣千元	(%)
Financial Position	財務狀況			
Total assets	總資產	3,022,949	2,759,055	9.6%
Total equity	總權益	1,653,862	2,061,051	(19.8%)
Net assets per share (expressed in RMB Yuan per share)	每股淨資產 (以每股人民幣元列示)	2.00	2.12	(5.7%)
Gearing ratio (total interest bearing borrowings divided by the total equity attributable to equity shareholders of the Company)	資本負債比率 (總計息借款除以本公司權益股東應佔權益總額)	42.0%	0%	42.0%

Management Discussion and Analysis 管理層討論及分析

The following discussion and analysis should be read in conjunction with the unaudited interim financial report of the Group. The interim financial report of the Group has been prepared in accordance with HKAS 34, *Interim Financial Reporting*.

BUSINESS AND FINANCIAL REVIEW

Revenue

By developing the market intensively, the Group has kept sales on a robust growth trend and revenue of RMB769,356,000 was recorded for the six months ended 30 June 2017, representing an increase of 70.3% as compared with the same period last year. Categorized by product lines, sales of kidney medicines recorded an increase of 10.1% as compared with the same period last year, among which, Uremic Clearance Granules (“**UCG**”) remained the growth driver of the Group’s sales and maintained its leading position in terms of oral modern Chinese medicines for kidney diseases; sales of medical contrast medium recorded a decrease of 11.2% as compared with the same period last year, still maintained a leading position in the domestic medical contrast medium market for magnetic resonance imaging. Sales of other medicines recorded a significant increase of 792.7% as compared with last year, which was mainly attributable to the increase in sales of women and children products and the consolidation of product sales of Guangxi Yulin Pharmaceutical Group Co.,Ltd. (“**廣西玉林製藥集團有限責任公司**”) (“**Yulin Pharmaceutical**”) and its subsidiaries (collectively “**Yulin Pharmaceutical Group**”).

Particularly worth mentioning that, during the first half of 2017, Yulin Pharmaceutical Group (which became subsidiaries of the Group since July 2016), achieved a half-year revenue of RMB263,699,000, representing an increase of 25.5% as compare with the same period last year (while Yulin Pharmaceutical Group were associated companies of the Group).

以下討論及分析應與本集團的未經審核的中期財務報告一併閱覽。本集團的中期財務報告乃按香港會計準則第34號中期財務報告編製。

業務與財務回顧

銷售收入

通過深耕市場，本集團的銷售延續一貫強勁增長的趨勢，截至2017年6月30日止六個月的收入為人民幣769,356,000元，較上年度同期增長達70.3%。按產品系列分類，腎病藥物銷售同比增長達10.1%，其中尿毒清顆粒仍然是本集團銷售增長的火車頭，維持在腎病口服現代中成藥的領先地位。至於醫用成像對比劑方面，銷售同比下降11.2%，仍然穩佔國內磁共振成像對比劑市場的前列。而其他藥物銷售同比強勁增長達792.7%，主要是婦兒產品的銷售增長及合併廣西玉林製藥集團有限責任公司（「**玉林製藥**」）及其附屬公司（統稱「**玉林製藥集團**」）的產品銷售所致。

特別值得一提的是，自2016年7月起成為本集團附屬公司的玉林製藥集團，於2017年上半年實現銷售收入人民幣263,699,000元，較去年同期（當時玉林製藥集團為本集團之聯營公司）增長達25.5%。

Gross Profit and Gross Profit Margin

For the first half of 2017, the Group's gross profit was RMB582,202,000, representing an increase of 63.2% as compared with RMB356,804,000 of the same period of 2016. The increase in gross profit was mainly attributable to the increase in sales. For the first half of 2017, the Group's average gross profit margin was 75.7%, representing a decrease of 3.3% as compared with the 79.0% for the same period of 2016, which was mainly attributable to the increase in sales proportion of other medicines, whereas their average gross profit margin is smaller than kidney medicines and medical contrast medium.

Other Income

For the first half of 2017, the Group's other revenue was RMB14,981,000 which mainly included government grants, interest income and exchange gains. Compared with the RMB2,612,000 for the same period of 2016, the increase in other revenue was mainly due to the increase in government grants obtained, and the exchange gain in connection with the three-year HKD term loan arising from the appreciation of RMB.

Distribution Costs

For the first half of 2017, the Group's distribution costs were RMB244,526,000, representing an increase of 79.4% as compared with the RMB136,271,000 for the same period of 2016, which was mainly attributable to the Group's expansion of marketing and distribution networks by recruiting additional marketing staff and increasing marketing and academic promotion activities during the period and the consolidation of Yulin Pharmaceutical Group's distribution costs.

毛利與毛利率

於2017年上半年，本集團的毛利為人民幣582,202,000元，與2016年同期的人民幣356,804,000元相比，增加63.2%。毛利增加的原因主要是由於銷售增加。於2017年上半年，本集團的平均毛利率為75.7%，與2016年同期的79.0%相比，減少3.3%，主要是由於其他藥物銷售的佔比增加，而此等藥物的平均毛利率相對腎病藥物和醫用成像對比劑較低所致。

其他收入

於2017年上半年，本集團的其他收入為人民幣14,981,000元，主要包括政府資助、利息收入及匯兌收益。與2016年同期的人民幣2,612,000元比較，其他收入增加的主要原因為期內收到的政府補助增加，以及由於人民幣升值所產生與一項三年期港元貸款有關的匯兌收益所致。

分銷成本

於2017年上半年，本集團的分銷成本為人民幣244,526,000元，與2016年同期的人民幣136,271,000元相比增加79.4%。分銷成本上升的主要原因是期內本集團增聘市場推廣人員及增加市場推廣和學術推廣活動（以擴充市場推廣及分銷網絡），以及合併玉林製藥集團的分銷成本所致。

Management Discussion and Analysis

管理層討論及分析

Administrative Expenses

For the first half of 2017, the Group's administrative expenses were RMB80,183,000, representing an increase of 64.1% as compared with the RMB48,872,000 for the same period of 2016, which was mainly due to the consolidation of administrative expenses of Yulin Pharmaceutical Group.

Finance Costs

During the first half of 2017, the Group's finance costs were RMB3,479,000, which were mainly arising from the three-year term loan in connection with the Share Buy-back. During the first half of 2016, the Group did not have any borrowings and therefore, no finance costs were incurred by the Group for the same period last year.

Income Tax

For the first half of 2017, the Group's income tax expenses were RMB69,979,000, representing an increase of 113.7% as compared with the RMB32,741,000 for the same period of 2016. The effective tax rate (income tax expenses divided by profit before taxation) increased by 7.6% from 18.4% for the first half of 2016 to 26.0% for the first half of 2017. The increase was mainly attributable to the increase in provision for withholding tax based on the expected dividends to be distributed by the Group's PRC subsidiaries to the Company in the foreseeable future for repayment of the three-year term loan in connection with the Share Buy-back and the relevant interest.

Profit for the Period and Earnings Per Share

The Group's profit for the first half of 2017 was RMB184,816,000, representing an increase of 27.1% as compared with the RMB145,397,000 for the same period of 2016. The earnings per share (basic and diluted) increased by 36.2% from RMB0.1507 for the first half of 2016 to RMB0.2052 for the first half of 2017.

行政開支

於2017年上半年，本集團的行政開支為人民幣80,183,000元，與2016年同期的人民幣48,872,000元相比增加64.1%，主要原因是於合併玉林製藥集團的行政開支所致。

融資成本

於2017年上半年，本集團的融資成本為人民幣3,479,000元，主要是由於股份購回而安排的三年期貸款所引起。於2016年上半年，本集團並無任何借款，因此於去年同期內並無產生融資成本。

所得稅

於2017年上半年，本集團的所得稅費用為人民幣69,979,000元，與2016年同期的人民幣32,741,000元相比，增加113.7%。實質稅率（所得稅開支除以稅前溢利）從2016年上半年的18.4%，上升7.6%至2017年上半年的26.0%。上升的主要原因是本集團為償還因股份購回而安排的三年期貸款和相關利息所需之金額，根據於可預見的未來國內附屬公司預期向本公司派發的股息而增加預提的中國預扣稅所致。

期內溢利與每股盈利

本集團於2017年上半年的溢利為人民幣184,816,000元，與2016年同期的人民幣145,397,000元相比增加27.1%。2017年上半年的每股盈利（基本及攤薄）為人民幣0.2052元，比2016年上半年的人民幣0.1507元增加36.2%。

LIQUIDITY AND FINANCIAL RESOURCES

Trade Debtors and Bills Receivable

As at 30 June 2017, the balance of trade debtors and bills receivable was RMB719,393,000, representing an increase of 29.1%, as compared with the balance of RMB557,275,000 as at 31 December 2016. The trade receivable turnover days in the first half of 2017 were 149.4 days, representing an increase of approximately 12.0 days from 137.4 days in 2016. It was mainly due to the consolidation of Yulin Pharmaceutical Group's operations and the Group granted longer credit period to certain strategic customers with good credit standing based on the market situation during the period.

Inventories

As at 30 June 2017, the balance of inventories was RMB222,125,000, representing an increase of 57.6% as compared with the balance of RMB140,974,000 as at 31 December 2016. The Group's inventory turnover days in the first half of 2017 were 174.6 days, representing an increase of 50.8 days from approximately 123.8 days in 2016. It was mainly due to the consolidation of Yulin Pharmaceutical Group's operations which have comparatively longer production cycle, and the increase in inventory level to prepare for the expected increase in market demand in the second half year.

Trade Payable

As at 30 June 2017, the balance of trade payable was RMB96,295,000, representing an increase of 20.8% as compared with the balance of RMB79,733,000 as at 31 December 2016. The trade payable turnover days in the first half of 2017 were 84.7 days, representing an increase of 14.9 days from 69.8 days in 2016. It was mainly attributable to the consolidation of Yulin Pharmaceutical Group's operations which obtained longer credit period from suppliers.

流動資金及財務資源

貿易應收賬款及應收票據

於2017年6月30日，貿易應收賬款及應收票據餘額為人民幣719,393,000元，相比於2016年12月31日的餘額人民幣557,275,000元增加29.1%。於2017年上半年的貿易應收款項周轉天數為149.4天，相比2016年度的137.4天增加約12.0天，主要是由於合併玉林製藥集團的業務，以及本集團期內因應市場情況給予部分信用良好的戰略合作客戶較長的授信期所致。

存貨

於2017年6月30日，存貨餘額為人民幣222,125,000元，相比於2016年12月31日的餘額人民幣140,974,000元增加57.6%。本集團於2017年上半年的存貨周轉天數為174.6天，相比2016年度的約123.8天增加50.8天，主要是由於合併玉林製藥集團的業務而其產品生產週期相對較長，以及為應付下半年預期市場需求上升而增加庫存儲備所致。

貿易應付款項

於2017年6月30日，貿易應付款項餘額為人民幣96,295,000元，相比於2016年12月31日的餘額人民幣79,733,000元增加20.8%。於2017年上半年的貿易應付款項周轉天數84.7天，相比2016年度的69.8天增加14.9天，主要是由於合併玉林製藥集團的業務而其從供應商獲得較長信貸期所致。

Management Discussion and Analysis

管理層討論及分析

Cash Flow from Operating Activities

The net cash inflow from operating activities of the Group in the first half of 2017 was RMB74,426,000, representing a decrease of 42.9% as compared with the RMB130,254,000 for the same period of 2016, which was mainly due to longer credit period granted to strategic customers with good credit standing based on the market situation, and the increase in inventory level to prepare for the expected increase in market demand in the second half year.

Cash and Bank Balances and Borrowings

As at 30 June 2017, cash and bank balances of the Group were RMB661,224,000, representing a decrease of 1.7% as compared with the balance of RMB672,711,000 as at 31 December 2016. As at 30 June 2017, the Group's bank borrowings amounted to RMB566,035,000 which mainly represents the three-year term loan in connection with the Share Buy-back, and the strategic short-term loans with preferential interest rate obtained by Yulin Pharmaceutical Group. As at 30 June 2016, the Group did not have any interest bearing borrowing.

Treasury Policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. Cash and cash equivalents of the Group are mainly denominated in RMB and HKD.

經營活動現金流

於2017年上半年，本集團的經營活動淨現金流入為人民幣74,426,000元，相比2016年同期的人民幣130,254,000元減少42.9%，主要是由於期內因應市場情況給予部分信用良好的戰略合作客戶較長的授信期，以及為應付下半年預期市場需求上升而增加庫存儲備所致。

現金及銀行結餘及借款

於2017年6月30日，本集團的現金及銀行結餘為人民幣661,224,000元，相比2016年12月31日的餘額人民幣672,711,000元減少1.7%。於2017年6月30日，本集團的銀行借款為人民幣566,035,000元，主要為與股份購回有關之三年期貸款，以及玉林製藥集團獲得的短期政策性優惠貼息貸款。於2016年12月31日，本集團並無任何計息借款。

庫務政策

本集團在執行庫務政策上採取審慎的財務管理策略，因而於整段回顧期間內維持健全的流動資金狀況。本集團不斷評估其客戶的信貸狀況及財務狀況，務求降低信貸風險。為控制流動資金風險，董事會密切監察本集團的流動資金狀況，確保本集團的資產、負債及其他承擔的流動結構能應付不時的資金需要。本集團的現金及現金等值物主要以人民幣及港元計值。

Gearing Ratio

The gearing ratio of the Group, representing the total interest bearing borrowings divided by total equity attributable to equity shareholders of the Company as at 30 June 2017 was 42% (31 December 2016: 0%). The increase in gearing ratio was mainly due to the three-year term loan obtained by the Company for the purpose of the Share Buy-back, and the strategic short-term loans with preferential interest rate obtained by Yulin Pharmaceutical Group during the period.

Exchange Risks

The Group's transactions are mainly denominated in RMB and HKD. The majority of assets and liabilities are denominated in RMB and HKD, and there are no significant assets and liabilities denominated in other currencies. During the period the Company obtained a three-year term loan of HKD560,000,000 for the purpose of the Share Buy-back, and an exchange gain is recorded as a result of appreciation of RMB against HKD as at 30 June 2017, and the Group will continue to face similar exchange rate risk in future due to fluctuation of exchange rates. During the period, the Group did not commit to any financial instruments to hedge its exposure to foreign currency risk.

Capital Structure

During the first half of 2017, with the shareholders' approval at an extraordinary general meeting, the Company completed an off-market buy-back of 146,140,200 ordinary shares from First Kind International Limited (during the year of 2016: 23,489,000 ordinary shares from the market) and cancelled those shares. Other than this, there were no significant changes in the Company's capital structure. The Company's capital comprises ordinary shares and other reserves.

Capital Commitments

As at 30 June 2017, the Group had capital commitments of RMB22,740,000 (31 December 2016: RMB25,671,000).

資本負債比率

本集團於2017年6月30日的資本負債比率（總計息借款除以本公司權益股東應佔權益總額）為42.0%（2016年12月31日：0%）。資本負債比率上升是由於期內本公司獲得三年期貸款以作股份購回，以及玉林製藥集團獲得短期政策性優惠貼息貸款所致。

外匯風險

本集團的交易主要以人民幣及港元計值。大多數資產及負債以人民幣及港元計值，而以其他貨幣計值的資產及負債並不多。期內本公司為股份購回而取得5.6億港元的三年期借款，於2017年6月30日因人民幣兌換港元的匯率上升而錄得匯兌收益，而本集團未來會因匯率波動而繼續面對同類匯率風險。期內，本集團並無利用任何財務工具對沖外幣風險。

資本結構

於2017年上半年，經過股東在股東特別大會上批准，本公司完成了從場外向First Kind International Limited購回146,140,200股普通股（2016年上半年：從市場購回23,489,000股普通股），並註銷了該等購回股份。除此以外，本公司的資本結構並無重大變動。本公司的資本包括普通股及其他儲備。

資本承擔

於2017年6月30日，本集團資本承擔為人民幣22,740,000元（2016年12月31日：人民幣25,671,000元）。

Management Discussion and Analysis

管理層討論及分析

Capital Expenditure

For the six months ended 30 June 2017, the Group had capital expenditure of RMB15,444,000 (same period of 2016: RMB4,919,000).

Information on Employees

As at 30 June 2017, the Group employed 2,209 employees (31 December 2016: 2,108 employees). For the six months ended 30 June 2017, the total staff costs (including Directors' remuneration) were RMB137,723,000 (same period of 2016: RMB76,245,000). The salaries of the employees were determined with reference to individual performance, work experience, qualification and current industry practices.

On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as individual's performance. Other staff benefits include contributions to Mandatory Provident Fund retirement benefits scheme in Hong Kong and various retirement benefits schemes including the provision of pension funds, medical insurance, unemployment insurance and other relevant insurance for employees who are employed by our Group pursuant to the PRC rules and regulations and the prevailing regulatory requirements of the PRC. The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually. The Group also operates a Share Option Scheme adopted by the Company on 2 December 2013, and a Share Award Scheme adopted on 21 July 2014, where options to subscribe for shares and share awards may be granted to the Directors and employees of the Group.

The Group made considerable efforts in continuing education and training programs for its staff, to continuously enhance their knowledge, skills and team spirit. The Group regularly provided internal and external training courses for relevant staff according to their needs.

資本開支

於截至2017年6月30日止六個月，本集團資本開支為人民幣15,444,000元（2016年同期：人民幣4,919,000元）。

僱員資料

於2017年6月30日，本集團合共僱用2,209名僱員（2016年12月31日：2,108名僱員）。截至2017年6月30日止六個月的總員工成本（包括董事薪酬）為人民幣137,723,000元（2016年同期：人民幣76,245,000元）。僱員薪酬乃參考個人表現、工作經驗、資歷及當前行業慣例而釐定。

除基本薪金外，亦可視乎本集團的業績及個人表現獲發花紅。其他員工福利包括香港的強制性公積金計劃供款及各項退休福利計劃，包括提供退休金、醫療保險、失業保險及為根據中國規則及規例以及中國現行相關監管規定獲本集團聘用的僱員而設的其他相關保險。本集團僱員的薪金及福利均處於具競爭力的水平，僱員的待遇均在本集團就薪酬及花紅制度設定的整體框架內按表現釐定，而該框架每年進行檢討。本集團亦設有一項由本公司於2013年12月2日採納的購股權計劃，及一項於2014年7月21日採納的股份獎勵計劃，據此，董事及本集團僱員可獲授予購股權以認購股份及股份獎勵。

本集團對員工的持續教育和培訓計劃有相當的投入，以不斷提升員工的知識、技能和協作精神。本集團經常根據需要給相關的工作人員提供內部及外部的培訓課程。

Significant Investments Held

Except for investments in subsidiaries and an associate, as at 30 June 2017, the Group did not hold any significant investment in equity interest in any other company.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the six months ended 30 June 2017, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investments and Capital Assets

The Group currently does not have other future plans for material investments and capital assets.

Pledge of Assets

As at 30 June 2017, the Group did not have any pledged assets (31 December 2016: nil).

Contingent Liabilities

As at 30 June 2017, the Group did not have any material contingent liabilities (31 December 2016: nil).

Connected Transaction

On 6 February 2017, the Company entered into a Share Buy-back Agreement (the “**Share Buy-back Agreement**”) with First Kind International Limited (“**First Kind**”) pursuant to which the Company agreed to acquire and First Kind agreed to dispose of 146,140,200 Shares at the total consideration of HKD560,739,947.40 (the “**Share Buy-back**”), equivalent to HKD3.837 per buy-back share.

The Share Buy-back contemplated under the Share Buy-back Agreement constitutes a connected transaction (by virtue of First Kind being a substantial shareholder of the Company) for the Company under the Listing Rules and is therefore subject to the approval by the disinterested shareholders of the Company at the extraordinary general meeting.

所持重大投資

除於附屬公司及聯營公司的投資外，於2017年6月30日，本集團並無於任何其他公司的股本權益中持有任何重大投資。

有關附屬公司、聯營公司及合營企業的重大收購及出售

截至2017年6月30日止六個月，本集團並無任何有關附屬公司、聯營公司及合營企業的重大收購及出售。

有關重大投資及資本資產的未來計劃

本集團目前並無其他有關重大投資及資本資產的未來計劃。

資產抵押

於2017年6月30日，本集團並無任何資產抵押（2016年12月31日：無）。

或然負債

於2017年6月30日，本集團並無任何重大或然負債（2016年12月31日：無）。

關連交易

於2017年2月6日，本公司與First Kind International Limited（「**First Kind**」）訂立股份購回協議（「**股份購回協議**」），據此，本公司同意收購而First Kind同意出售146,140,200股股份，總代價為560,739,947.40港元（「**股份購回**」），相當於每股購回股份3.837港元。

股份購回協議項下的股份購回構成上市規則項下本公司之關連交易（因為First Kind為本公司主要股東），因此須待本公司無利益關係股東於股東特別大會上批准後，方可作實。

Management Discussion and Analysis 管理層討論及分析

The Board believes that the Share Buy-back is entered into on normal commercial terms which are fair and reasonable and in the interests of the Company and the shareholders as a whole.

Completion had taken place on 24 April 2017 following the shareholders' approval at the extraordinary general meeting held on 11 April 2017 and fulfillment of the conditions precedent under the Share Buy-back Agreement. Further details of the Share Buy-back have been disclosed in the announcements of the Company dated 6 February 2017, 11 April 2017 and 24 April 2017 and the circular of the Company dated 20 March 2017.

Save as disclosed above, the Group did not enter into any transactions which constitute non-exempt connected transactions within the meaning of the Listing Rules during the period.

Events after the Reporting Period

As of the date of this announcement, the Group has no significant events after the period required to be disclosed.

Outlook

Looking ahead, the Group will continue to uphold the Group's advantages in oral modern Chinese medicines for kidney diseases in PRC market and medical contrast medium segments, and based on Yulin Pharmaceutical Group's strong foundation in traditional Chinese medicines market, and with the support of national macroeconomic policies, make efforts to allow more patients to be able to use our products, and contribute to the health of mankind.

董事會相信，該項股份購回乃按正常商業條款訂立，屬公平合理且符合本公司及股東之整體利益。

緊隨於2017年4月11日股東特別大會上股東之批准及滿足股份購回協議內的先決條件後，股份購回於2017年4月24日完成。股份購回的進一步詳情已經於本公司日期為2017年2月6日、2017年4月11日及2017年4月24日之公告及日期為2017年3月20日之通函內披露。

除以上披露外，本集團於期內並無進行任何會構成上市規則所指的非豁免關連交易。

報告期後的事件

於本公告日期，本集團並無任何需要披露的重大期後事項。

展望

展望未來，本集團將繼續秉承本集團在中國腎病口服現代中成藥市場和醫用成像對比劑市場細分領域的優勢，以及藉助玉林製藥集團在傳統中成藥市場的雄厚基礎，在國家宏觀政策的支援下，努力讓更多的患者能夠用到我們的產品，服務於人類健康。

Interim Dividend

As the Group's achieved satisfactory results for the six months ended 30 June 2017, and with the value added effect to the shareholders from the Share Buy-back, the Company's earnings per share (basic and diluted) increased by 36.2% from RMB0.1507 for the first half of 2016 to RMB0.2052 for the first half of 2017. In view of the Group's healthy net cash inflow from operating activities of RMB74,426,000 for the period, and the cash and bank balances of RMB661,224,000 at the end of the period, the Board considered the increase of dividend distribution ratio as a return to the shareholders for their support to the Company, from the Company's past dividend distribution ratio of around 30% of the profit of the relevant period, to around 40% of the profit for the six months ended 30 June 2017. The Board will determine the future dividend distribution policy based on the Group's results and financial position after considering the relevant factors.

The Board is pleased to announce the distribution of an interim dividend (the "Interim Dividend") of HKD0.096 per share (approximately RMB0.082 per share) in respect of the six months ended 30 June 2017 (2016 interim dividend: RMB0.045 per share), amounted to approximately RMB66,059,000 (2016 interim dividend: RMB42,942,000). It is expected that the Interim Dividend will be paid on or about Friday, 29 September 2017 to the shareholders whose names appear on the register of members of the Company on Tuesday, 12 September 2017.

Closure of Register of Members

For the purpose of determining shareholders' entitlement to the Interim Dividend, the register of members of the Company will be closed from Friday, 8 September 2017 to Tuesday, 12 September 2017 (both days inclusive).

In order to qualify for the entitlements to the Interim Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 pm on Thursday, 7 September 2017.

中期股息

由於本集團截至2017年6月30日止六個月的業績理想，加上股份購回為股東帶來的增值效果，本公司每股盈利（基本及攤薄）從2016年上半年的人民幣0.1507元，增長至2017年上半年的人民幣0.2052元，增長率達36.2%。而期內本集團的經營活動帶來的淨現金流入亦非常健康，達人民幣74,426,000元，而於期末本集團的現金及銀行結餘達人民幣661,224,000元，故董事會考慮增加派息比率以回饋股東對公司的支持，由過去本公司的派息率大約佔當期溢利的30%，增加至本次對截至2017年6月30日止六個月的中期股息的派息率約40%。董事會將會基於本集團的業績與財務狀況，並考慮各項相關因素後釐定日後的派息政策。

董事會欣然宣佈就截至2017年6月30日止六個月派發每股0.096港元（約每股人民幣0.082元）之中期股息（「中期股息」）（2016年中期股息：每股人民幣0.045元），總額約人民幣66,059,000元（2016年中期股息：人民幣42,942,000元）。預計中期股息將於2017年9月29日（星期五）或前後派付予於2017年9月12日（星期二）名列本公司股東名冊之股東。

暫停辦理股東登記手續

為釐定股東可享中期股息之權利，本公司將於2017年9月8日（星期五）至2017年9月12日（星期二）（包括首尾兩天）暫停辦理股份過戶登記手續。

為符合領取中期股息之資格，所有過戶文件連同有關股票，必須於2017年9月7日（星期四）下午4時30分前交回本公司之股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

Consolidated Statement of Profit or Loss 綜合損益表

for the six months ended 30 June 2017 – unaudited (Expressed in Renminbi)
截至2017年6月30日止六個月 – 未經審核 (以人民幣列示)

				For the six months ended 30 June 截至6月30日止六個月		
		Note	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元		
		附註				
Revenue	收入	3(a)/5	769,356	451,852		
Cost of sales	銷售成本		(187,154)	(95,048)		
Gross profit	毛利	3(a)	582,202	356,804		
Other income	其他收入	6	14,981	2,612		
Distribution costs	分銷成本		(244,526)	(136,271)		
Administrative expenses	行政開支		(80,183)	(48,872)		
Profit from operation	經營性溢利		272,474	174,273		
Finance costs	融資成本	7	(3,479)	–		
Share of profit of an associate	應佔聯營公司溢利		–	3,865		
Profit before taxation	稅前溢利	3(b)/7	268,995	178,138		
Income tax	所得稅	8	(69,979)	(32,741)		
Profit for the period	期內溢利		199,016	145,397		
Attributable to:	以下人士應佔：					
– Equity shareholders of the Company	– 本公司權益股東		184,816	145,397		
– Non-controlling interests	– 非控股權益		14,200	–		
Profit for the period	期內溢利		199,016	145,397		
Earnings per share (RMB yuan)	每股盈利 (人民幣元)					
– Basic	– 基本	9	0.2052	0.1507		
– Diluted	– 攤薄	9	0.2052	0.1507		

The notes on pages 24 to 51 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 17(a).

第24至51頁之附註為本中期財務報告的組成部份。應付本公司權益股東股息之詳情載列於附註17(a)。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

for the six months ended 30 June 2017 – unaudited (Expressed in Renminbi)
截至2017年6月30日止六個月 – 未經審核 (以人民幣列示)

		For the six months ended 30 June	
		截至6月30日止六個月	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit for the period	期內溢利	199,016	145,397
Other comprehensive income for the period that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的 期內其他全面收益：		
Exchange differences on translation of financial statements of operations outside the People's Republic of China (the "PRC"), net of tax	轉換中華人民共和國(「中國」) 境外業務的財務報表的 匯兌差異，扣除稅項	(31)	214
Total comprehensive income for the period	期內全面收益總額	198,985	145,611
Attributable to:	以下人士應佔：		
– Equity shareholders of the Company	– 本公司權益股東	184,785	145,611
– Non-controlling interests	– 非控股權益	14,200	–
Total comprehensive income for the period	期內全面收益總額	198,985	145,611

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

at 30 June 2017 – unaudited (Expressed in Renminbi)
於2017年6月30日 – 未經審核 (以人民幣列示)

			At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
		Note 附註		
Non-current assets	非流動資產			
Investment property	投資物業	10	18,214	18,552
Other property, plant and equipment	其他物業、廠房及設備	10	391,612	392,882
Lease prepayments	租賃預付款項	10	134,343	86,006
Intangible assets	無形資產	10	474,922	489,629
Goodwill	商譽		320,647	320,647
Other investment	其他投資		2,600	2,600
Other prepayment	其他預付款	10	–	40,400
Deferred tax assets	遞延稅項資產		24,140	18,334
Total non-current assets	非流動資產總值		1,366,478	1,369,050
Current assets	流動資產			
Inventories	存貨	11	222,125	140,974
Trade and other receivables	貿易及其他應收款項	12	773,122	576,320
Cash and cash equivalents	現金及現金等值項目	13	661,224	672,711
Total current assets	流動資產總值		1,656,471	1,390,005
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	14	569,501	483,252
Loans and borrowings	貸款及借款	15	104,302	–
Deferred income	遞延收益		1,346	1,346
Current tax payables	應付即期稅款		65,409	62,133
Total current liabilities	流動負債總額		740,558	546,731
Net current assets	流動資產淨值		915,913	843,274
Total assets less current liabilities	總資產減流動負債		2,282,391	2,212,324

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

at 30 June 2017 – unaudited (Expressed in Renminbi)
於2017年6月30日 – 未經審核 (以人民幣列示)

			At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
		Note 附註		
Non-current liabilities	非流動負債			
Loans and borrowings	貸款及借款	15	461,733	–
Deferred income	遞延收益		22,178	21,603
Deferred tax liabilities	遞延稅項負債		144,618	129,670
Total non-current liabilities	非流動負債總額		628,529	151,273
NET ASSETS	資產淨值		1,653,862	2,061,051
Capital and reserves	資本及儲備			
Share capital	股本	17(b)	64,801	76,237
Reserves	儲備		1,282,979	1,684,257
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		1,347,780	1,760,494
Non-controlling interests	非控股權益		306,082	300,557
TOTAL EQUITY	總權益		1,653,862	2,061,051

Approved and authorised for issue by the Board of Directors on 24 August 2017. 於2017年8月24日經董事會批准及授權刊發。

AN Yubao
安郁寶
Chairman
主席

LI Qian
黎倩
Executive Director
執行董事

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the six months ended 30 June 2017 – unaudited (Expressed in Renminbi)

截至2017年6月30日止六個月 – 未經審核 (以人民幣列示)

		Share capital	Share premium	Exchange reserve	Capital reserves	Other reserves	Treasury shares held under Share Award Scheme	Other treasury shares	PRC statutory reserve	Retained earnings	Total
	Note	股本	股份溢價	匯兌儲備	資本儲備	其他儲備	持有的庫存股	其他庫存股	中國法定儲備	保留盈利	總計
	附註	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 1 January 2016	於2016年1月1日	78,074	647,937	207	82,951	80,769	(89,997)	-	60,428	776,386	1,636,755
Changes in equity for the six months ended 30 June 2016:	截至2016年6月30日止六個月的權益變動:										
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	145,397	145,397
Other comprehensive income	其他全面收益	-	-	214	-	-	-	-	-	-	214
Total comprehensive income	全面收益總額	-	-	214	-	-	-	-	-	145,397	145,611
Purchase of own shares during the period	期內購買自身股份	17(b)	-	-	-	-	-	(81,132)	-	-	(81,132)
Cancellation of shares during the period	期內註銷股份	17(b)	(1,780)	(76,828)	-	-	-	78,608	-	-	-
Dividends approved and paid	批准及支付的股息	17(a)	-	(71,570)	-	-	-	-	-	-	(71,570)
Employees' Share Option Scheme	僱員購股權計劃	7(b)	-	-	2,170	-	-	-	-	-	2,170
Shares granted under the Share Award Scheme	根據股份獎勵計劃授予的股份	7(b)/16(b)	-	-	604	-	-	-	-	-	604
Shares vested under the Share Award Scheme	根據股份獎勵計劃歸屬的股份	16(b)	-	-	(636)	-	636	-	-	-	-
As at 30 June 2016	於2016年6月30日	76,294	499,539	421	85,089	80,769	(89,361)	(2,524)	60,428	921,783	1,632,438

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Consolidated Statement of Changes in Equity 綜合權益變動表

for the six months ended 30 June 2017 – unaudited (Expressed in Renminbi)
截至2017年6月30日止六個月－未經審核（以人民幣列示）

		Attributable to equity shareholders of the Company 本公司權益股東應佔							Non-controlling interests		Total Equity									
		Treasury shares held under	Share Award Scheme	Other treasury shares	PPIC statutory reserve	Retained earnings	Total			Total Equity										
		Share	Other reserves	Capital reserves	Exchange reserve	Share premium	Share capital	Share premium	Exchange reserve	Capital reserves	Other reserves	Share Award Scheme	Other treasury shares	PPIC statutory reserve	Retained earnings	Total			Total Equity	
		under	held under	reserves	reserves	reserve	reserve	reserves	Other reserves	Share Award Scheme	PPIC statutory reserve	Retained earnings	Total			Total			Total Equity	
		Scheme	reserves	Other reserves	Capital reserves	Exchange reserve	Share premium	Share capital	Other reserves	Share Award Scheme	PPIC statutory reserve	Retained earnings	Total			Total			Total Equity	
		根據股份 獎勵計劃	其他儲備	資本儲備	匯兌儲備	股份溢價	股本	其他儲備	持有的庫存股	其他庫存股	中國法定儲備	保留盈利	總計			Total			Total Equity	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
	As at 1 July 2016	76,294	499,539	421	85,089	80,769	(89,361)	(2,524)	60,428	92,1783	1,632,438	-	1,632,438	-	-	-	-	-	-	
Changes in equity for the six months ended 31 December 2016:																				
	期內溢利	-	-	-	-	-	-	-	-	162,129	162,129	162,129	162,129	162,129	162,129	162,129	162,129	162,129	162,129	
	其他全面收益	-	-	(64)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total comprehensive income	-	-	(64)	-	-	-	-	-	162,129	162,065	162,129	162,065	162,129	162,065	162,129	162,065	162,129	162,065	
	Cancellation of shares during the period	(57)	(2,467)	-	-	-	-	2,524	-	-	-	-	-	-	-	-	-	-	-	
	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	收購非控股權益	-	-	-	-	-	-	-	-	(23,158)	(23,158)	(23,158)	(23,158)	(23,158)	(23,158)	(23,158)	(23,158)	(23,158)	(23,158)	
	非控股權益持有人增資	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	轉撥至法定儲備	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Dividends approved and paid	-	-	-	-	-	-	-	-	-	7,876	(7,876)	-	-	-	-	-	-	-	
	Employees' Share Option Scheme	-	(42,942)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Shares granted under the Share Award Scheme	-	-	-	19,420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	根據股份獎勵計劃授予的股份	-	-	-	300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	根據股份獎勵計劃歸屬的股份	-	-	-	(719)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	As at 31 December 2016	76,237	454,130	357	104,090	80,769	(88,642)	-	68,304	1,065,249	1,760,494	300,557	2,061,051	300,557	2,061,051	300,557	2,061,051	300,557	2,061,051	

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the six months ended 30 June 2017 – unaudited (Expressed in Renminbi)
截至2017年6月30日止六個月 – 未經審核 (以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔											
		Treasury shares held under		Share Award Scheme		PRC statutory reserve		Retained earnings		Non-controlling interests		Total Equity	
		Share premium		Exchange reserve		Capital reserves		Other reserves		Scheme		Total	
		RMB'000		RMB'000		RMB'000		RMB'000		RMB'000		RMB'000	
		人民幣千元		人民幣千元		人民幣千元		人民幣千元		人民幣千元		人民幣千元	
As at 1 January 2017	於2017年1月1日	76,237	454,130	357	104,090	80,769	(88,642)	68,304	1,065,249	1,760,494	300,557	2,061,051	
Changes in equity for the six months ended 30 June 2017:	截至2017年6月30日止六個月的權益變動:												
Profit for the period	期內溢利	-	-	-	-	-	-	-	184,816	184,816	14,200	199,016	
Other comprehensive income	其他全面收益	-	-	(31)	-	-	-	-	-	(31)	-	(31)	
Total comprehensive income	全面收益總額	-	-	(31)	-	-	-	-	184,816	184,785	14,200	198,985	
Purchase and Cancellation of own shares during the period	期內購買及註銷自身股份												
Dividends approved and paid to equity shareholders of the Company	批准及已付本公司權益股東的股息	(11,436)	(454,130)	-	-	-	-	-	(40,150)	(505,716)	-	(505,716)	
Dividends declared to non-controlling interests holders from a subsidiary	附屬公司批准向非控股權益持有人發放的股息	-	-	-	-	-	-	-	(107,172)	(107,172)	-	(107,172)	
Capital injection from non-controlling interests holders	非控股權益持有人增資	-	-	-	-	-	-	-	-	-	(11,032)	(11,032)	
Employees' Share Option Scheme	僱員購股權計劃	-	-	-	14,908	-	-	-	481	481	2,357	2,838	
As at 30 June 2017	於2017年6月30日	64,801	-	326	118,998	80,769	(88,642)	68,304	1,103,224	1,347,780	306,082	1,653,862	

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表

for the six months ended 30 June 2017 – unaudited (Expressed in Renminbi)
截至2017年6月30日止六個月 – 未經審核 (以人民幣列示)

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Operating activities	經營活動		
Cash generated from operations	經營活動所得現金	131,987	165,336
Income tax paid	已付所得稅	(57,561)	(35,082)
Net cash generated from operating activities	經營活動所得現金淨額	74,426	130,254
Investing activities	投資活動		
Payment for interest in an associate	就於一間聯營公司的權益付款	–	(26,790)
Payment for the purchase of property, plant and equipment and land use rights	購買物業、廠房及設備和土地使用權的款項	(26,460)	(6,146)
Other cash flows arising from investing activities	投資活動所得其他現金流	2,064	21,270
Net cash used in investing activities	投資活動所用現金淨額	(24,396)	(11,666)
Financing activities	融資活動		
Proceeds from new bank loans	新增銀行貸款所得款項	574,592	–
Proceeds of capital injection from non-controlling interests holders	非控股權益持有人增資所得款項	2,838	–
Dividends paid to equity shareholders of the Company	已付本公司權益股東的股息	(107,172)	(71,570)
Dividends paid to non-controlling interests holders	已付非控股權益持有人的股息	(10,758)	–
Finance costs paid	已付財務成本	(15,301)	–
Payment for repurchase of shares which were subsequently cancelled or held by the Company	購回其後被註銷或由本公司持有的股份的款項	(505,716)	(81,132)
Net cash used in financing activities	融資活動所用現金淨額	(61,517)	(152,702)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(11,487)	(34,114)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等值項目	672,711	489,987
Cash and cash equivalents at 30 June	於6月30日的現金及現金等值項目	661,224	455,873

The notes on pages 24 to 51 form part of this interim financial report.

第24至51頁之附註為本中期財務報告的組成部份。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(以人民幣列示，除非另有註明)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 24 August 2017.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2016 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2017 annual financial statements. Details of the changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2016 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

1 編製基準

本中期財務報告乃根據香港聯合交易所有限公司證券上市規則之適用披露規定而編製（包括遵守香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號，*中期財務報告*），並獲授權於2017年8月24日刊發。

中期財務報告乃按與2016年年度財務報表所採用之相同會計政策編製，惟預期將反映於2017年年度財務報表中之會計政策變動除外。會計政策變動詳情載於附註2。

編製符合香港會計準則第34號的中期財務報告要求管理層作出判斷、估計及假設，而有關判斷、估計及假設會影響政策的應用及由年初至今的資產與負債、收入及開支的呈報金額。實際結果可能有別於該等估計。

中期財務報告包括簡明綜合財務報表以及經選錄的解釋附註。附註包括對了解本集團自2016年年度財務報表以來的財務狀況及表現所出現的變動而言屬重要的事項及交易的解釋。簡明綜合中期財務報表及其附註並不包括根據香港財務報告準則（「香港財務報告準則」）所編製的完整財務報表所規定的一切資料。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(以人民幣列示，除非另有註明)

1 BASIS OF PREPARATION (Continued)

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 52 to 53.

The financial information relating to the financial year ended 31 December 2016 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2016 are available from the Company's registered office.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 編製基準 (續)

中期財務報告未經審核，但已由畢馬威會計師事務所根據香港會計師公會頒佈的香港審閱委聘準則第2410號，*由實體之獨立核數師執行之中期財務資料審閱*，進行審閱工作。致董事會的畢馬威會計師事務所獨立審閱報告載於第52至53頁。

有關截至2016年12月31日止財政年度並載入中期財務報告內作為比較資料的財務資料，並不構成本公司於該財政年度的法定年度綜合財務報表，惟乃摘錄自該等財務報表。截至2016年12月31日止年度的法定財務報表可於本公司註冊辦事處取閱。

本公司的核數師已就該等財務報表提呈報告。該核數師報告並無保留意見，且並無提述任何核數師於不作保留意見的情況下，以關注事項的方式提請垂注之任何事宜。

2 會計政策變動

香港會計師公會已頒佈多項對香港財務報告準則的修訂，而該等修訂於本集團的本會計期間首次生效。該等發展對本集團當前或過往期間業績及財務狀況於本中期財務報告的編製或呈列方式並無重大影響。

本集團並無應用任何於本會計期間尚未生效的新訂準則或詮釋。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(以人民幣列示，除非另有註明)

3 SEGMENT REPORTING

The Group manages its businesses by product lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments.

- Consun Pharmaceutical Segment: this segment manufactures and sells modern Chinese medicines and medical contrast medium.
- Yulin Pharmaceutical Segment: this segment manufactures and sells traditional Chinese medicines.

(a) Information about profit or loss, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of pharmaceutical products, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

3 分部報告

本集團按產品線管理其業務。本集團已呈列下列兩個可申報分部，其列報方式與為分配資源及評估表現目的而向本集團最高行政管理人員內部報告資料的方式貫徹一致。

- 康臣藥業分部：此分部生產及銷售現代中成藥及醫用成像對比劑。
- 玉林製藥分部：此分部生產及銷售傳統中成藥。

(a) 有關損益、資產及負債的資料

為評估分部表現及在分部間分配資源，本集團最高行政管理人員根據以下基準監察各可呈報分部應佔的業績、資產及負債：

收入及開支乃經參照該等分部產生的銷售額及開支或該等分部應佔資產折舊或攤銷產生的開支，分配至可呈報分部。然而，除呈報分部間的藥品銷售外，一個分部向另一個分部提供的支援（包括分享資產及技術專門知識）則不予以計量。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(以人民幣列示，除非另有註明)

3 SEGMENT REPORTING (Continued)

(a) Information about profit or loss, assets and liabilities (Continued)

The measure used for reporting segment profit is gross profit. The Group's senior executive management is provided with segment information concerning segment revenue and gross profit. Segment assets and liabilities are not reported to the Group's senior executive management regularly.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2017 and 2016 is set out below.

3 分部報告 (續)

(a) 有關損益、資產及負債的資料 (續)

用於呈報分部溢利的指標為毛利。本集團最高行政管理人員獲提供有關分部收入及毛利的分部資料。分部資產及負債資料並無向本集團最高行政管理人員定期匯報。

截至2017年及2016年6月30日止六個月，為分配資源及評估分部表現而向本集團最高行政管理人員提供的本集團可呈報分部之資料載列如下。

		Consun		Yulin		Total	
		Pharmaceutical Segment		Pharmaceutical Segment		Total	
		康臣藥業分部		玉林製藥分部		總計	
		2017	2016	2017	2016	2017	2016
		2017年	2016年	2017年	2016年	2017年	2016年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the six months ended 30 June	截至6月30日止六個月	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Reportable segment revenue	可呈報分部收入						
Revenue from external customers	來自外部客戶的收入	505,657	451,852	263,699	-	769,356	451,852
Reportable segment profit	可呈報分部溢利						
Gross profit	毛利	404,001	356,804	178,201	-	582,202	356,804

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(以人民幣列示，除非另有註明)

3 SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment profit

3 分部報告 (續)

(b) 可呈報分部溢利的對賬

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Reportable segment gross profit derived from the Group's external customers	來自本集團外部客戶之 可呈報分部毛利	582,202	356,804
Other income	其他收入	14,981	2,612
Distribution costs	分銷成本	(244,526)	(136,271)
Administrative expenses	行政開支	(80,183)	(48,872)
Finance costs	財務成本	(3,479)	-
Share of profit of an associate	應佔聯營公司溢利	-	3,865
Consolidated profit before taxation	綜合稅前溢利	268,995	178,138

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4 SEASONALITY OF OPERATIONS

The Group generally experiences on average over 50% higher revenue in the fourth quarter as compared with other quarters in the year, because more sales of pharmaceutical products are made to distributors in the fourth quarter of the year prior to the new year holiday. The Group satisfies this higher demand by increasing its production so as to build up inventories during the second half of the year.

For the twelve months ended 30 June 2017, the Group reported revenue of RMB1,540,992,000 (twelve months ended 30 June 2016: RMB895,682,000), and gross profit of RMB1,136,421,000 (twelve months ended 30 June 2016: RMB716,496,000). Guangxi Yulin Pharmaceutical Group Co., Ltd. (“**Yulin Pharmaceutical**”) and its subsidiaries (collectively referred to as “**Yulin Pharmaceutical Group**”) became subsidiaries of the Group on 19 July 2016, therefore, revenue and gross profit of Yulin Pharmaceutical Group from 19 July 2016 to 30 June 2017 amounting to RMB541,047,000 and RMB340,426,000 respectively were included in the Group’s revenue and gross profit for the twelve months ended 30 June 2017.

4 經營的季節性特徵

由於本集團一般在新年假期前的第四季度向經銷商銷售更多醫藥產品，本集團醫藥產品第四季度銷售額較年內其他季度平均高出50%。本集團通過於下半年度提高產量，增加庫存以應對該需求。

於截至2017年6月30日止十二個月，本集團分別錄得收入人民幣1,540,992,000元（截至2016年6月30日止十二個月：人民幣895,682,000元）及毛利人民幣1,136,421,000元（截至2016年6月30日止十二個月：人民幣716,496,000元）。廣西玉林製藥集團有限責任公司（「**玉林製藥**」）及其附屬公司（統稱「**玉林製藥集團**」）自2016年7月19日起成為本集團附屬公司，因此，玉林製藥集團自2016年7月19日至2017年6月30日止期間分別為人民幣541,047,000元的收入及人民幣340,426,000元的毛利被包括在本集團於截至2017年6月30日止十二個月的收入及毛利之中。

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5 REVENUE

The principal activities of the Group are manufacturing and sales of pharmaceuticals.

5 收入

本集團的主要業務為藥品生產及銷售。

6 OTHER INCOME

6 其他收入

		For the six months ended 30 June	
		截至6月30日止六個月	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Government grants	政府補助		
– Unconditional subsidies	– 無條件補貼	5,892	747
– Conditional subsidies	– 有條件補貼	973	218
Interest income	利息收入	1,871	1,483
Loss on disposal of property, plant and equipment	處置物業、廠房及 設備產生的虧損	(128)	(687)
Net exchange gains	淨匯兌收益	6,310	–
Others	其他	63	851
		14,981	2,612

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7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/
(crediting):

(a) Finance costs:

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interest expenses on bank loans	銀行貸款利息開支	3,479	–

(b) Staff costs:

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Salaries, wages, bonuses and benefits	薪金、工資、花紅及福利	118,489	71,084
Contribution to retirement schemes	退休計劃供款	4,326	2,387
Equity settled share-based payments:	以股權結算並以股份為 基礎的付款：		
Share Option Scheme (note 16(a))	購股權計劃(附註16(a))	14,908	2,170
Share Award Scheme (note 16(b))	股份獎勵計劃(附註16(b))	–	604
		137,723	76,245

7 稅前溢利

稅前溢利乃扣除／(計入) 以下各項後得
出：

(a) 財務成本：

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interest expenses on bank loans	銀行貸款利息開支	3,479	–

(b) 員工成本：

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Salaries, wages, bonuses and benefits	薪金、工資、花紅及福利	118,489	71,084
Contribution to retirement schemes	退休計劃供款	4,326	2,387
Equity settled share-based payments:	以股權結算並以股份為 基礎的付款：		
Share Option Scheme (note 16(a))	購股權計劃(附註16(a))	14,908	2,170
Share Award Scheme (note 16(b))	股份獎勵計劃(附註16(b))	–	604
		137,723	76,245

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7 PROFIT BEFORE TAXATION (Continued)

(c) Other items:

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Depreciation	折舊		
– Investment properties	– 投資物業	338	–
– Other property, plant and equipment	– 其他物業，廠房及設備	16,393	8,324
Amortisation	攤銷		
– Lease prepayments	– 租賃預付款項	1,539	313
– Intangible assets	– 無形資產	14,707	–
Impairment losses (reversed)/ recognised for doubtful debts	(撥回)/ 確認的 呆賬減值虧損	(519)	138
Operating lease charges	經營租賃費用	1,499	972
Research and development costs [#]	研發成本 [#]	10,431	5,942
Cost of inventories [*]	存貨成本 [*]	187,154	95,048

[#] During the six months ended 30 June 2017, research and development costs include RMB4,649,000 (six months ended 30 June 2016: RMB2,869,000) relating to staff costs, depreciation and amortisation expenses and operating lease charges, which amount is also included in the respective total amounts disclosed separately above or in note 7(b) for each of these types of expenses.

^{*} During the six months ended 30 June 2017, cost of inventories include RMB54,944,000 (six months ended 30 June 2016: RMB15,865,000) relating to staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in note 7(b) for each of these types of expenses.

7 稅前溢利 (續)

(c) 其他項目：

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Depreciation	折舊		
– Investment properties	– 投資物業	338	–
– Other property, plant and equipment	– 其他物業，廠房及設備	16,393	8,324
Amortisation	攤銷		
– Lease prepayments	– 租賃預付款項	1,539	313
– Intangible assets	– 無形資產	14,707	–
Impairment losses (reversed)/ recognised for doubtful debts	(撥回)/ 確認的 呆賬減值虧損	(519)	138
Operating lease charges	經營租賃費用	1,499	972
Research and development costs [#]	研發成本 [#]	10,431	5,942
Cost of inventories [*]	存貨成本 [*]	187,154	95,048

[#] 截至2017年6月30日止六個月，研發成本包括與員工成本、折舊及攤銷開支和經營租賃費用相關的人民幣4,649,000元（截至2016年6月30日止六個月：人民幣2,869,000元），以上金額亦計入上文或附註7(b)就各開支類別獨立披露的相應總金額內。

^{*} 截至2017年6月30日止六個月，存貨成本包括與員工成本、折舊及攤銷開支相關的人民幣54,944,000元（截至2016年6月30日止六個月：人民幣15,865,000元），以上金額亦計入上文或附註7(b)就各開支類別獨立披露的相應總金額內。

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8 INCOME TAX

8 所得稅

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Current tax	即期稅項		
Provision for PRC income tax	中國所得稅撥備	60,837	35,348
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	產生及撥回暫時性差異	9,142	(2,607)
		69,979	32,741

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) No provision was made for Hong Kong Profits Tax as the Group did not earn income subject to Hong Kong Profits Tax for six months ended 30 June 2017 (six months ended 30 June 2016: nil).

(iii) Taxable income for the subsidiaries of the Company in the PRC is subject to PRC income tax rate of 25%, unless otherwise specified below.

Consun Pharmaceutical (Inner Mongolia) Co., Ltd. ("Inner Mongolia Consun") was qualified as an "Advanced and New Technology Enterprise", thus Inner Mongolia Consun was entitled to the preferential income tax rate of 15% from 2015 to 2017.

(i) 根據開曼群島及英屬處女群島（「英屬處女群島」）的規則及規例，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。

(ii) 由於本集團於截至2017年6月30日止六個月並無賺取須繳納香港利得稅的收入，故並無就香港利得稅作出撥備（截至2016年6月30日止六個月：無）。

(iii) 除非下文另有指明，否則本公司中國附屬公司的應課稅收益須按25%的稅率繳納中國所得稅。

康臣藥業（內蒙古）有限責任公司（「內蒙古康臣」）獲認證為「高新技術企業」，因此，內蒙古康臣可從2015年至2017年享受優惠所得稅稅率15%。

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8 INCOME TAX (Continued)

(iii) (Continued)

Guangzhou Consun Pharmaceutical Company Limited (“**Guangzhou Consun**”) was qualified as an “Advanced and New Technology Enterprise” and was entitled to the preferential income tax rate of 15% from 2014 to 2016. Guangzhou Consun is applying for the extension of “Advanced and New Technology Enterprise” qualification and the entitlement of the preferential income tax rate for 2017 to 2019. In the opinion of Directors, they do not foresee any difficulties to obtain an approval of the preferential income tax rate for 2017 to 2019. Therefore, the PRC income tax rate applicable to Guangzhou Consun was 15% for the six months ended 30 June 2017 (six months ended 30 June 2016: 15%).

Yulin Pharmaceutical and Guangxi Yulin Pharmaceutical Capsule Co., Limited (“**Yulin Capsule**”) were qualified as encouraged industry that operates in western China. Yulin Pharmaceutical and Yulin Capsule were entitled to the preferential income tax rate of 15% from 2011 to 2020.

Guangxi Yulin Pharmaceutical Group Yuming Chinese Traditional Medicine Co., Limited (“**Yuming Chinese Traditional Medicine**”), Guangxi Yulin Pharmaceutical Group Hongsheng Trading Co., Limited (“**Hongsheng Trading**”) and Guangxi Yulin Yunxiang Real Estate Co., Limited (“**Yunxiang Real Estate**”) met the criteria for preferential income tax rate granted to small and low profit-making enterprises in the PRC, and were entitled to the preferential income tax rate of 10% in 2017.

Guangxi Yulin Pharmaceutical Group Yonglv Chinese Traditional Medicine Industry Co., Limited (“**Yonglv Chinese Traditional Medicine**”) met the exemption criteria on income generated through planting of agricultural products and was exempted from income tax in 2017.

8 所得稅開支 (續)

(iii) (續)

廣州康臣藥業有限公司(「**廣州康臣**」)獲認證為「高新技術企業」，因此，可從2014年至2016年享受優惠所得稅稅率15%。廣州康臣正在申請「高新技術企業」資格及2017年至2019年的優惠所得稅稅率延期。董事認為，其未有預見任何妨礙取得該等2017年至2019年的優惠所得稅稅率的事宜。因此，截至2017年6月30日止六個月，廣州康臣適用的中國所得稅稅率為15% (截至2016年6月30日止六個月：15%)。

玉林製藥及廣西玉林玉藥膠囊有限公司(「**玉林膠囊**」)獲認證為於中國西部營運的鼓勵性產業公司，玉林製藥及玉林膠囊均可從2011年至2020年享受優惠所得稅稅率15%。

廣西玉藥集團玉銘中藥有限責任公司(「**玉銘中藥**」)、廣西玉林製藥集團宏升貿易有限責任公司(「**宏升貿易**」)及廣西玉林雲香置業有限公司(「**雲香置業**」)符合標準授予中國小型微利企業的優惠所得稅稅率，並於2017年享受優惠所得稅稅率10%。

廣西玉藥集團永綠中藥產業有限公司(「**永綠中藥**」)符合農產品種植收入的豁免標準，並於2017年獲豁免繳納所得稅。

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8 INCOME TAX (Continued)

- (iv) According to the relevant tax law and its implementation rules, dividends receivable by non-PRC-resident corporate investors from PRC-resident enterprises are subject to withholding tax at 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008. The Group has adopted withholding tax at 10% for PRC withholding tax purposes.

At 30 June 2017, deferred tax liabilities of RMB58,003,000 (31 December 2016: RMB40,850,000) have been provided based on the expected dividends to be distributed from Guangzhou Consun to the Company in the foreseeable future in respect of the profits generated since 1 January 2008. The Company has not provided for the related deferred tax liabilities on the undistributed earnings of the PRC subsidiaries totaling RMB82,035,800 as at 30 June 2017 (31 December 2016: RMB77,997,500).

8 所得稅開支 (續)

- (iv) 根據有關稅法及其實施細則，除非自2008年1月1日起賺取的溢利獲稅務條例或安排寬減，否則非中國居民企業投資者應收中國居民企業的股息須按10%繳納預扣稅。就中國預扣稅而言，本集團已採用10%的預扣稅率。

於2017年6月30日，根據於可預見的未來廣州康臣預期會向本公司派發自2008年1月1日後產生的盈利，人民幣58,003,000元（2016年12月31日：人民幣40,850,000元）的遞延稅項負債被計提了。本公司並未就其中國附屬公司於2017年6月30日的未分配盈利計提相關的遞延稅項負債總計人民幣82,035,800元（2016年12月31日：人民幣77,997,500元）。

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9 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB184,816,000 (six months ended 30 June 2016: RMB145,397,000) and the weighted average number of 900,474,000 ordinary shares (six months ended 30 June 2016: 964,652,000 shares) in issue during the interim period.

9 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據中期期內本公司權益股東應佔溢利人民幣184,816,000元（截至2016年6月30日止六個月：人民幣145,397,000元）及已發行普通股的加權平均數900,474,000股（截至2016年6月30日止六個月：964,652,000股）計算。

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 '000 shares 千股	2016 2016年 '000 shares 千股
Issued ordinary shares at 1 January	於1月1日已發行普通股	974,268	997,757
Effect of shares held under the Share Award Scheme	股份獎勵計劃項下 持有股份的影響	(19,698)	(20,000)
Effect of shares repurchased and cancelled	購回及註銷股份的影響	(54,096)	(13,105)
Weighted average number of ordinary shares	普通股的加權平均數	900,474	964,652

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9 EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB184,816,000 (six months ended 30 June 2016: RMB145,397,000) and the weighted average number of ordinary shares of 900,474,000 (six months ended 30 June 2016: 964,964,000 shares).

9 每股盈利 (續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司權益股東應佔溢利人民幣184,816,000元(截至2016年6月30日止六個月: 人民幣145,397,000元)及普通股的加權平均數900,474,000股(截至2016年6月30日止六個月: 964,964,000股)計算。

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 '000 shares 千股	2016 2016年 '000 shares 千股
Weighted average number of ordinary shares	普通股的加權平均數	900,474	964,652
Effect of Awarded Shares under the Share Award Scheme	股份獎勵計劃項下獎勵股份的影響	-	312
Weighted average number of ordinary shares (diluted)	普通股的加權平均數(攤薄)	900,474	964,964

For the periods ended 30 June 2017 and 2016, the effect of the Company's Share Option Scheme was anti-dilutive.

於截至2017年及2016年6月30日止期間，本公司購股權計劃具反攤薄影響。

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10 INVESTMENT PROPERTY, OTHER PROPERTY, PLANT AND EQUIPMENT, LEASE PREPAYMENTS, INTANGIBLE ASSETS AND OTHER PREPAYMENT

(a) Acquisitions

During the six months ended 30 June 2017, the Group acquired items of property, plant and machinery with a cost of RMB15,444,000 (six months ended 30 June 2016: RMB4,919,000), and acquired lease prepayments with a cost of RMB49,877,000 (six months ended 30 June 2016: nil), among which RMB40,400,000 were prepaid as at 31 December 2016.

(b) Intangible assets

Intangible assets represent trademark with a carrying amount of RMB256,233,000 (31 December 2016: RMB256,233,000) and patents with a carrying amount of RMB218,689,000 (31 December 2016: RMB233,396,000).

(c) Valuation of investment properties

Investment properties of the Group were stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses. The carrying amounts of the investment properties were not materially different from their fair value as at 30 June 2017 and 31 December 2016.

10 投資物業、其他物業、廠房及設備、租賃預付款項、無形資產及其他預付款項

(a) 購買

截至2017年6月30日止六個月，本集團以成本人民幣15,444,000元（截至2016年6月30日止六個月：人民幣4,919,000元）購得物業、廠房及機器項目，及獲得租賃預付款項成本人民幣49,877,000元（截至2016年6月30日止六個月：無），其中人民幣40,400,000元於2016年12月31日已經預付。

(b) 無形資產

無形資產為賬面值人民幣256,233,000元的商標（2016年12月31日：人民幣256,233,000元）及賬面值人民幣218,689,000元的專利（2016年12月31日：人民幣233,396,000元）。

(c) 投資物業的估值

本集團投資物業於綜合財務狀況表內按成本減累計折舊及減值虧損列賬。投資物業的賬面值與其於2017年6月30日及2016年12月31日的公允值並無重大差異。

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11 INVENTORIES

11 存貨

		At	At
		30 June	31 December
		2017	2016
		於2017年	於2016年
		6月30日	12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	99,661	70,669
Work in progress	在製品	85,833	42,891
Finished goods	製成品	36,631	27,414
		222,125	140,974

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

已確認為開支並計入損益的存貨金額分析如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2017	2016
		2017年	2016年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of inventories sold	已售存貨成本	186,950	94,971
Write-down of inventories	存貨撇減	204	77
		187,154	95,048

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12 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the aging analysis of trade debtors and bills receivable (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

12 貿易及其他應收款項

於報告期末，貿易應收賬款及應收票據（已計入貿易及其他應收款項）以發票日期為基準並扣除呆賬撥備的賬齡分析如下：

		At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Within 3 months	三個月內	690,911	512,413
3 to 12 months	三至十二個月	27,767	29,153
Over 12 months	十二個月以上	715	15,709
Trade debtors and bills receivable, net of allowance for doubtful debts (note 18(a))	貿易應收賬款及應收票據， 扣除呆賬撥備（附註18(a)）	719,393	557,275
Other receivables, prepayments and deposits (note 18 (b))	其他應收款項、預付款項及 存款（附註18(b)）	53,729	19,045
		773,122	576,320

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12 TRADE AND OTHER RECEIVABLES (Continued)

(a) Trade debtors and bills receivable, net of allowance for doubtful debts

Trade debtors and bills receivable are generally due within 30 to 90 days from the date of billing. Debtors with balances that are more than 12 months past due are requested to settle all outstanding balances before any further credit is granted.

As at 30 June 2017, the Group's trade debtors of RMB3,438,000 (31 December 2016: RMB7,548,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, specific allowance for doubtful debts of RMB3,046,000 (31 December 2016: RMB3,565,000) was recognized.

(b) Other receivables, prepayments and deposits

Prepayment for loan facility fees amounted to RMB11,822,000 (31 December 2016: nil) in connection with the three-year term loan (note 15) was included in other receivables, prepayments and deposits, of which RMB6,704,000 is expected to be recognised as expenses after more than one year, and the remaining of RMB5,118,000 is expected to be recognised as expenses within one year.

12 貿易及其他應收款項 (續)

(a) 貿易應收賬款及應收票據，扣除呆賬撥備

貿易應收賬款及應收票據通常自發出賬單日期起30日至90日內到期。對應收賬款餘額逾期超過十二個月的債務人授予任何進一步信貸前，會要求其首先清還所有欠款。

於2017年6月30日，本集團貿易應收賬款人民幣3,438,000元（2016年12月31日：人民幣7,548,000元）已個別確定減值。已個別減值的應收款項涉及的客戶處於財務困境，管理層經評估預計將只會收回部分應收款項。因此，確認呆賬之特別撥備人民幣3,046,000元（2016年12月31日：人民幣3,565,000元）。

(b) 其他應收款項、預付款項及存款

其他應收款項、預付款項及存款包含關於三年期貸款（附註15）的安排費用人民幣11,822,000元（2016年12月31日：無），而其中的人民幣6,704,000元預期會於超過一年後的時間被確認為費用，及其餘的人民幣5,118,000元預期會於一年內被確認為費用。

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13 CASH AND CASH EQUIVALENTS

13 現金及現金等值項目

		At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Cash at bank and on hand	銀行及手頭現金	661,224	672,711

14 TRADE AND OTHER PAYABLES

14 貿易及其他應付款項

As of the end of the reporting period, the aging analysis of trade creditors and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

於報告期末，貿易應付賬款及應付票據（已計入貿易及其他應付款項）以發票日期為基準的賬齡分析如下：

		At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Within 1 month	一個月內	43,063	39,085
1 to 12 months	一至十二個月	53,126	40,341
Over 12 months	十二個月以上	106	307
Total trade payable	貿易應付款項總額	96,295	79,733
Receipts in advance	預收款項	2,012	10,368
Accrued expenses	應計開支	245,360	169,810
Employee benefits payable	應付僱員福利	63,815	67,572
Other payables	其他應付款項	162,019	155,769
		569,501	483,252

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15 LOANS AND BORROWINGS

As at the end of the reporting period, loans and borrowings were unsecured bank loans and were repayable as follows:

		At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Within one year	一年內	104,302	-
After 1 year but within 2 years	一年後但於兩年內	97,207	-
After 2 years but within 3 years	兩年後但於三年內	364,526	-
		461,733	-
		566,035	-

A three-year term loan which amounted to HKD560,000,000 (equivalent to RMB486,035,000) was included in loans and borrowings and is interest-bearing at 2.00% per annum over the relevant HIBOR.

As at 30 June 2017, the three-year term loan is subject to the fulfilment of covenants relating to certain of the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down loan would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2017, none of the covenants relating to drawn down loan had been breached (31 December 2016: nil).

15 貸款及借款

於報告期末，貸款及借款為無抵押銀行貸款，且須於下列期限償還：

貸款及借款包括一項金額為560,000,000港元（相當於人民幣486,035,000元）的三年期貸款，其年利率為相關香港銀行同業拆息加2.00%。

於2017年6月30日，該項三年期貸款受制於對本集團某些財務比率的約定（該等約定常見於金融機構的貸款安排中）。假若本集團違反了該等約定，已提取的貸款便會變成須按要求償還。本集團定期監察遵守該等約定的情況。於2017年6月30日，本集團並無違反任何與已提取貸款相關的約定（2016年12月31日：無）。

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16 EQUITY SETTLED SHARE-BASED PAYMENTS

(a) Employees' Share Option Scheme

In 2014, the Company granted 60,000,000 share options to certain Directors and employees at a consideration of HKD1 for each grantee (the "2014 Grant"). The exercise price of these share options was HKD6.64 per share, and the aggregate fair value of these share options amounted to RMB138,095,000. The options vest after one year to five years from the date of grant and are then exercisable on or before 23 March 2024.

In 2016, an aggregate of 24,790,000 unvested share options under the 2014 Grant were cancelled (the "Cancelled Share Options"), among which 9,200,000 and 15,590,000 unvested share options were previously granted to Directors and employees, respectively, with remaining vesting period ranging from one year to three years.

In 2016, the Company granted 52,000,000 share options to certain Directors and employees (the "2016 Grant"). The exercise price of these share options was HKD4.01 per share, and the aggregate fair value of these share options amounted to RMB81,168,000. The options vest after one year to three years from the date of grant and are then exercisable on or before 31 March 2026.

16 以股權結算並以股份為基礎的付款

(a) 僱員購股權計劃

於2014年，本公司以每位承授人1港元的代價授予若干董事及僱員60,000,000份購股權（「2014年授出」）。該等購股權行使價為每股6.64港元，該等購股權公允值合計達人民幣138,095,000元。該等購股權於授出日期後1年至5年歸屬，然後可以於2024年3月23日或之前行使。

於2016年，2014年授出項下合共24,790,000份未歸屬的購股權已被註銷（「已註銷購股權」），其中9,200,000份及15,590,000份未歸屬購股權先前已分別授予董事及僱員，餘下的歸屬期介乎一年至三年。

於2016年，本公司授予若干董事及僱員52,000,000份購股權（「2016年授出」）。該等購股權行使價為每股4.01港元，該等購股權公允值合計達人民幣81,168,000元。該等購股權於授出日期後一年至三年歸屬，然後可以於2026年3月31日或之前行使。

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16 EQUITY SETTLED SHARE-BASED PAYMENTS (Continued)

(a) Employees' Share Option Scheme (Continued)

The number and weighted average exercise prices of share options are as follows:

16 以股權結算並以股份為基礎的付款 (續)

(a) 僱員購股權計劃 (續)

購股權的數目及加權平均行使價如下：

		Six months ended 30 June 2017 截至2017年6月30日止六個月	
		Weighted average exercise price 加權平均 行使價 HKD 港元	Number of options 購股權 數目 '000 千份
Outstanding at 1 January 2017	於2017年1月1日尚未行使	4.82	71,423
Forfeited during the period	期內沒收	4.45	(4,880)
Outstanding at 30 June 2017	於2017年6月30日尚未行使	4.85	66,543
Exercisable at 30 June 2017	於2017年6月30日可行使	5.71	31,442

The share options outstanding at 30 June 2017 had an exercise price of HKD6.64 or HKD4.01 (31 December 2016: HKD6.64 or HKD4.01) and a weighted-average remaining contractual life of 8.1 years (31 December 2016: 8.6 years). No options were exercised during the six months ended 30 June 2017 (2016: nil).

The Group recognised share option expenses of RMB14,908,000 during the six months ended 30 June 2017 (six months ended 30 June 2016: RMB2,170,000).

於2017年6月30日，尚未行使購股權行使價為6.64港元或4.01港元（2016年12月31日：6.64港元或4.01港元），加權平均剩餘合約年期為8.1年（2016年12月31日：8.6年）。於截至2017年6月30日止六個月，並無購股權被行使（2016年：無）。

於截至2017年6月30日止六個月，本集團確認購股權費用人民幣14,908,000元（截至2016年6月30日止六個月：人民幣2,170,000元）。

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16 EQUITY SETTLED SHARE-BASED PAYMENTS (Continued)

(b) Employees' Share Award Scheme

On 21 July 2014, the Board of Directors of the Company approved the adoption of a share award scheme (the "Share Award Scheme") under which shares of the Company (the "Awarded Shares") may be awarded to selected employees in accordance with the provisions of the Share Award Scheme and the nominal value of the shares awarded under the Share Award Scheme shall not exceed 10% of the issued share capital of the Company from time to time.

Unless terminated earlier by the Board of Directors in accordance with the rules of the Share Award Scheme, the Share Award Scheme will be valid and effective for a term of 10 years starting on 21 July 2014. A trust has been set up and fully funded by the Company for the purpose of purchasing, administrating and holding the Company's shares for the Share Award Scheme.

When a Selected Employee has satisfied all vesting conditions, which might include service and/or performance conditions, specified by the Board of Directors of the Company at the time of making the award and become entitled to the shares of the Company forming the subject of the award, the trustee shall transfer the relevant Awarded Shares to that employee at no cost. The Selected Employee however is not entitled to receive any income or distribution, such as dividend derived from the unvested Awarded Shares allocated to him/her.

The Awarded Shares granted under the Share Award Scheme on 7 May 2015 were forfeited or vested by the end of 31 December 2016. Therefore, there's no share award expenses recognised during the six months ended 30 June 2017 (six months ended 30 June 2016: RMB604,000).

16 以股權結算並以股份為基礎的付款 (續)

(b) 僱員股份獎勵計劃

於2014年7月21日，本公司董事會批准採納一項股份獎勵計劃（「股份獎勵計劃」），據此可按照股份獎勵計劃的規定向特定僱員授予本公司的股份（「獎勵股份」），股份獎勵計劃項下獎勵的股份面值不得超過本公司不時已發行股本的10%。

除非獲董事會根據股份獎勵計劃的規則提早終止，股份獎勵計劃的有效期自2014年7月21日起計為期10年。本公司已成立一項信託並提供全部資金，信託用作購買、管理和持有本公司供股份獎勵計劃所需的股份。

倘特定僱員符合本公司董事會於授出獎勵時指定的所有歸屬條件（可能包括服務及／或表現條件）並有權享有構成獎勵的本公司股份，則受託人須向該僱員轉讓相關獎勵股份，且不收取任何費用。然而，特定僱員無權收取任何收入或分派，例如分配予其的未歸屬獎勵股份所產生的股息。

股份獎勵計劃項下於2015年5月7日授出的獎勵股份已於2016年12月31日結束前沒收或歸屬。因此，截至2017年6月30日止六個月，概無確認股份獎勵費用（截至2016年6月30日止六個月：人民幣604,000元）。

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16 EQUITY SETTLED SHARE-BASED PAYMENTS (Continued)

(b) Employees' Share Award Scheme (Continued)

Details of the Awarded Shares vested under the Share Award Scheme as at 30 June 2017 are set out below:

		Number of Awarded Shares Vested 獎勵股份 歸屬數目 '000 千股
At 30 June 2017 and 31 December 2016	於2017年6月30日及2016年12月31日	302

Details of the treasury shares held under the Share Award Scheme are set out below:

根據股份獎勵計劃持有的庫存股詳情於下文載列：

		Average purchase price 平均 購買價 HKD 港元	No. of shares held 持有 股份數目 '000 千股	Value of shares 股份價值 HKD'000 RMB'000 千港元 人民幣千元	
At 30 June 2017 and 31 December 2016	於2017年6月30日及 2016年12月31日	5.68	19,698	111,854	88,642

At 30 June 2017, 19,803,000 ordinary shares were held by the trustee under the Share Award Scheme (31 December 2016: 20,000,000 shares), among which 19,698,000 shares were held on behalf of the Company (31 December 2016: 19,698,000 shares), while the remaining 105,000 shares were held on behalf of certain employees (31 December 2016: 302,000).

於2017年6月30日，受託人根據股份獎勵計劃持有19,803,000股普通股（2016年12月31日：20,000,000股），其中19,698,000股股份為代表本公司持有（2016年12月31日：19,698,000股），而其餘105,000股股份則代表若干僱員持有（2016年12月31日：302,000股）。

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17 CAPITAL, RESERVE AND DIVIDENDS

(a) Dividends

(i) Dividends payable to equity shareholders attributable to the interim period

17 資本、儲備及股息

(a) 股息

(i) 中期間應付權益股東股息

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interim dividend declared after the interim period of HKD0.096 per share (six months ended 30 June 2016: RMB0.045)	於中期間後宣派之中期股息每股0.096港元（截至2016年6月30日止六個月：人民幣0.045元）	66,059	42,942

The interim dividend had not been recognised as a liability at the end of the reporting period.

中期股息並無於報告期末確認為負債。

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17 CAPITAL, RESERVE AND DIVIDENDS 17 資本、儲備及股息 (續)

(Continued)

(a) Dividends (Continued)

(ii) **Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period**

(a) 股息 (續)

(ii) **上一財政年度應付權益股東的股息，已於中期期間批准及支付**

		For the six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Final dividends in respect of the previous financial year, approved and paid during the interim period ended 30 June 2017 of HKD0.05 per share (six months ended 30 June 2016: RMB0.075)	上一財政年度末期股息，已於截至2017年6月30日止中期期間獲批准及支付每股0.05港元（截至2016年6月30日止六個月：人民幣0.075元）	36,599	74,119
Less: Dividends for treasury shares held by the Company	減：本公司所持有庫存股的股息	(875)	(2,549)
		*35,724	71,570
Special dividend approved and paid during the interim period ended 30 June 2017 of HKD0.1 per ordinary share (six months ended 30 June 2016: nil)	特別股息，已於截至2017年6月30日止中期期間獲批准及支付每股普通股0.1港元（截至2016年6月30日止六個月：無）	73,198	-
Less: Dividends for treasury shares held by the Company	減：本公司所持有庫存股的股息	(1,750)	-
		*71,448	-
		107,172	71,570

* The Company paid final dividends of RMB35,724,000 for the year ended 31 December 2016 and special dividends of RMB71,448,000 as adjusted to exclude the dividends for treasury shares held under the Company's Share Award Scheme.

* 本公司已派發截至2016年12月31日止年度之末期股息人民幣35,724,000元及特別股息人民幣71,448,000元（經調整至不包括本公司股份獎勵計劃項下所持有庫存股的股息）。

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17 CAPITAL, RESERVE AND DIVIDENDS 17 資本、儲備及股息 (續)

(Continued)

(b) Share capital

Ordinary shares, issued and fully paid

(b) 股本

已發行及繳足普通股

		Six months ended 30 June 2017 截至2017年6月30日止六個月		
		Number of shares 股份數目 '000 千股	Nominal value of fully paid shares 繳足股份面值 HKD'000 千港元	Nominal value of fully paid shares 繳足股份面值 RMB'000 人民幣千元
As at 1 January 2017	於2017年1月1日	974,268	97,427	76,237
Cancellation of shares during the period	期內註銷股份	(146,140)	(14,614)	(11,436)
As at 30 June 2017	於2017年6月30日	828,128	82,813	64,801

On 6 February 2017, the Company entered into a share buy-back agreement with First Kind International Limited pursuant to which the Company agreed to buy back 146,140,200 shares (the “**Buy-back Shares**”) at a total consideration of approximately HKD560,740,000 (equivalent to approximately RMB495,246,000), equivalent to HKD3.837 per each Buy-back Share and the Buy-back Shares would be cancelled in full (the “**Share Buy-back**”). On 11 April 2017, the Share Buy-back was approved in the extraordinary general meeting of the Company. On 24 April 2017, the Buy-back Shares were repurchased by the Group and were subsequently cancelled in full on 2 May 2017. Transaction costs of RMB10,470,000 which were directly attributable to the Share Buy-back were accounted for as deduction from equity.

於2017年2月6日，本公司與First Kind International Limited訂立股份購回協議，據此，本公司同意購回146,140,200股股份（「購回股份」），總代價約為560,740,000港元（相當於約人民幣495,246,000元），相當於每股購回股份3.837港元，購回股份可悉數註銷（「股份購回」）。於2017年4月11日，該項股份購回於股東特別大會上獲得批准。於2017年4月24日，本集團已回購購回股份，並其後於2017年5月2日悉數註銷購回股份。因股份購回直接產生的人民幣10,470,000元交易費用已以扣減權益方式入賬。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(以人民幣列示，除非另有註明)

18 CAPITAL COMMITMENTS OUTSTANDING NOT PROVIDED FOR IN THE INTERIM FINANCIAL REPORT

18 並未在中期財務報告撥備的未履行資本承擔

		At 30 June 2017 於2017年 6月30日 RMB'000 人民幣千元	At 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Contracted for	已訂約	21,476	20,989
Authorised but not contracted for	已授權但未訂約	1,264	4,682
Total	總計	22,740	25,671

19 MATERIAL RELATED PARTY TRANSACTIONS

19 重大關聯方交易

Key management personnel remuneration

主要管理人員酬金

		Six months ended 30 June 截至6月30日止六個月	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Salaries and other benefits	薪金及其他福利	12,909	11,726
Retirement scheme of defined contribution	界定供款退休計劃	48	46
Equity settled share-based payment expenses	以股權結算並以股份為基礎的付款開支	4,130	4,873
		17,087	16,645

Total remuneration is included in "staff costs" (see note 7(b)).

總酬金計入「員工成本」內（見附註7(b)）。

Review Report 審閱報告



Review report to the Board of Directors of Consun Pharmaceutical Group Limited

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 16 to 51 which comprises the consolidated statement of financial position of Consun Pharmaceutical Group Limited (the “**Company**”) as of 30 June 2017 and the related consolidated statement of profit or loss, statement of profit or loss and other comprehensive income and statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The Directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致康臣藥業集團有限公司董事會的審閱報告

(於開曼群島註冊成立的有限責任公司)

引言

我們已審閱第16至51頁所載的中期財務報告，當中包括康臣藥業集團有限公司（「**貴公司**」）於2017年6月30日的綜合財務狀況表、截至該日止六個月期間的有關綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及簡明綜合現金流量表及附註解釋。香港聯合交易所有限公司證券上市規則要求必須按照上市規則中的相關規定及香港會計師公會頒布的香港會計準則第34號中期財務報告的規定編製中期財務報告。董事負責按照香港會計準則第34號編製及呈列本中期財務報告。

我們的責任是根據審閱結果對中期財務報告作出結論，並按照雙方協定的委聘條款，僅向閣下（作為整體）提呈。除此以外，本報告概不作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔法律責任。

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2017 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 August 2017

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱委聘準則第2410號由實體之獨立核數師執行之中期財務資料審閱進行審閱工作。中期財務報告審閱工作包括主要向負責財務及會計事宜的人員作出詢問，並進行分析和其他審閱程序。由於審閱工作的範圍遠小於根據香港核數準則進行的審核，故我們不能保證已知悉在審核中可能發現的一切重大事項。因此，我們不會發表審核意見。

結論

根據我們的審閱結果，我們並無發現任何事項，令我們相信於2017年6月30日的中期財務報告在所有重大方面未有按照香港會計準則第34號中期財務報告的規定編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈八樓

2017年8月24日

Other Information 其他資料

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, there was no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest subsisted at the end of the period or at any time during the period.

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

Each of Mr. AN Yubao, the chairman of the Board of the Company, Ms. LI Qian, the chief executive officer of the Company, and Mr. YOUNG Wai Po, Peter (collectively, the “**Controlling Shareholders**” or “**Non-Competing Covenantors**”) entered into a deed of non-competition (“**Deed of Non-Competition**”) on 2 December 2013, pursuant to which the Non-Competing Covenantors have irrevocably and severally (but not jointly and severally) undertaken to the Company (for itself and for the benefit of each of the members of the Group) that with effect from the date of Listing and for as long as the shares of the Company remain so listed on the Stock Exchange and the Controlling Shareholders are individually or collectively with any of his/its associates interested directly or indirectly in not less than 30.0% of the issued ordinary share capital of the Company (the “**Restricted Period**”), the Non-Competing Covenantors or their respective associates shall not, (i) directly or indirectly engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business (whether as owner, director, operator, licensor, licensee, partner, shareholder, joint venturer, employee, consultant or otherwise) in competition with or likely to be in competition with the existing business carried on by the Group (the “**Restricted Business**”); and (ii) directly or indirectly take any action which constitutes an interference with or a disruption of the Restricted Business including, but not limited to, (a) solicitation of any existing or then existing employees of the Group for employment by them or their associates (excluding the Group); (b) solicitation of any current or then current

董事於重大交易、安排及合約的權益

除另有披露者之外，董事或董事的關連實體概無任何於與本公司或其任何附屬公司所訂立且於期末或期內任何時間存續的重大交易、安排或合約中擁有重大權益。

控股股東之不競爭承諾

本公司董事會主席安郁寶先生、本公司總裁黎倩女士及楊惠波先生（統稱「**控股股東**」或「**不競爭契諾人**」）於2013年12月2日簽訂不競爭契據（「**不競爭契據**」），據此，不競爭契諾人已向本公司（為其本身及為本集團各成員公司的利益）作出不可撤回及個別的（但非共同及個別的）承諾，自上市日期起及只要本公司股份仍於聯交所上市，以及控股股東個別或共同地與其任何聯繫人直接或間接擁有不少於本公司已發行普通股股本30.0%的權益（「**限制期間**」），不競爭契諾人或彼等各自的聯繫人不應：(i)直接或間接從事、參與或持有任何權利或權益或提供任何服務或以其他方式涉及與本集團進行的現有業務競爭或可能競爭的任何業務（「**受限制業務**」）（不論作為擁有人、董事、經營者、發牌人、持牌人、合夥人、股東、合資經營人、僱員、諮詢人或其他身份）；及(ii)直接或間接採取對受限制業務構成幹預或中斷的任何行動，包括但不限於(a)招攬本集團任何現時或當時在職僱員受其或其聯繫人（本集團除外）僱用；(b)遊說本集團的任何現有或當

customers and/or suppliers and/or former customers and/or suppliers of the Group for the preceding 6 months at the relevant time away from the Group; and (c) without the consent from the Company, making use of any information pertaining to the business of the Group which may have come to their knowledge in their capacity as Substantial Shareholders for the purpose of engaging, investing or participating in any Restricted Business. Each of the Non-Competing Covenants severally (but not jointly and severally) undertakes to the Company (for itself and for the benefit of each of the members of the Group) that, in respect of any order or any part of it undertaken or proposed to be undertaken by him/her or his/her associates for the Restricted Business, it shall and shall procure that his/her associates shall, unconditionally use reasonable endeavours to procure that such customer(s) to appoint or contract directly with any member of the Group for the Restricted Business under the relevant order.

Each of the Non-Competing Covenants jointly and severally undertakes to indemnify and keep indemnified the Group against any damage, loss or liability suffered by the Company or any other member of the Group arising out of or in connection with any breach of its undertakings and/or obligations under the Deed of Non-Competition, including any costs and expenses incurred as a result of such breach provided that such indemnity shall be without prejudice to any other rights and remedies the Company is entitled to in relation to any such breach, including specific performance, and all such other things and remedies are hereby expressly reserved by the Company.

Each of the Controlling Shareholders has confirmed to the Company of his/its compliance with the Deed of Non-Competition provided to the Company until (i) the date on which the Company's shares cease to be listed on the Stock Exchange; or (ii) the date on which the relevant Covenantor and his/its associates cease to own 30% or more of the then issued share capital of the Company directly or indirectly; whichever occurs first.

時現有之客戶及／或供應商及／或於有關時間前六個月內為本集團的前客戶及／或供應商離開本集團；及(c)未經本公司同意，利用本身作為主要股東的身份而可能獲悉有關本集團業務的任何資料，用於從事、投資或參與任何受限制業務。各不競爭契諾人個別地（但非共同及個別地）向本公司（為其本身及為本集團各成員公司的利益）承諾，對於其或其聯繫人就受限制業務而承接或擬承接的任何訂單或訂單中任何部分，其會或會促使其聯繫人無條件合理地盡力安排該等客戶根據相關訂單就受限制業務委任本集團任何成員公司或直接與本集團任何成員公司訂約。

各不競爭契諾人共同及個別地承諾，就源於或有關不競爭契據下其承諾及／或責任的任何違反所導致本公司或本集團任何其他成員公司承受的任何損害、損失或責任（包括因該違反而產生的任何費用及開支），其會對本集團作出彌償及使本集團不會受損，惟該彌償不會影響本公司就任何有關違反而可享有的任何其他權利及可採取的補救措施，包括特定履行救濟，以及本公司謹此就一切有關其他事項及補救行動明確表示保留的權利。

各控股股東已向本公司確認遵從其向本公司提供的不競爭契據，直至(i)本公司股份不再於聯交所上市日期；或(ii)相關契諾人及其聯繫人不再直接或間接擁有本公司當時已發行股本30%或以上的日期（以較早日期為準）。

Other Information 其他資料

The independent non-executive Directors of the Company had reviewed the status of compliance as well as confirmation by the Controlling Shareholders of the Company and, on the basis of such confirmation, are of the view that such Controlling Shareholders have complied with their non-competition undertakings under the Deed of Non-Competition and these non-competition undertakings have been enforced by the Company in accordance with its terms.

SHARE OPTION SCHEME

The Company's existing Share Option Scheme was approved for adoption on 2 December 2013 for the purpose to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to eligible participants and for such other purposes as the Board approve from time to time. Subject to the terms of the Share Option Scheme, the board may, at their absolute discretion, grant or invite any person belonging to any of the following classes to take up options to subscribe for shares: (a) any employee, supplier/service provider, customer, partner or joint-venture partner of the Group (including any director, whether executive and whether independent or not, of the Group) who is in full-time or part-time employment with the Company or any subsidiaries, (b) any person who have contributed or may contribute to the Group. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the total number of shares in issue on the date of Listing unless the Company seeks the approval of the shareholders in general meeting for refreshing the 10% limit under the Share Option Scheme provided that options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating 10% limit.

本公司獨立非執行董事已審閱有關合規情況，並已得到本公司控股股東的確認，而基於此確認，彼等認為該等控股股東已遵守其於不競爭契據項下的不競爭承諾，且此等不競爭承諾亦已由本公司根據其條款執行。

購股權計劃

本公司現有購股權計劃於2013年12月2日獲准採納，旨在令本公司可以靈活的方式給予合資格參與人士獎勵、回報、酬金、補償及／或提供福利，及就董事會不時批准之有關其他目的。在購股權計劃的條款規限下，董事會可全權酌情授出或邀請任何屬以下任何組別的人士接納購股權以認購股份：(a)本公司或任何附屬公司旗下僱用的任何全職或兼職的本集團僱員、供應商／服務供應商、客戶、合作夥伴或合資企業合作夥伴，包括本集團不論是否屬執行及獨立與否的任何董事；(b)任何對本集團已經或可能作出貢獻的人士。根據購股權計劃及本公司任何其他購股權計劃將予授出的所有購股權獲行使時可能發行的股份總數，不得超過於上市日期已發行股份總數的10%。除非本公司在股東大會上尋求股東批准更新購股權計劃的10%限額，惟在計算10%限額時，根據購股權計劃或本公司任何其他購股權計劃條款已失效的購股權將不會計算在內。

The principal terms of the Share Option Scheme are summarised as follows:

The exercise price per share of the Company for each option granted shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

- (1) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of offer for the grant of option (“**Date of Grant**”) which must be a trading day;
- (2) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five trading days immediately preceding the Date of Grant; and
- (3) the nominal value of the shares on the Date of Grant.

Upon acceptance of the options, the grantee shall pay HKD1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within the date as specified in the offer letter issued by the Company. The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years commencing on the date of grant and expiring on the last day of such 10-year period subject to the provisions for early termination as contained in the Share Option Scheme. The maximum number of shares issued and to be issued upon exercise of the options granted and to be granted to each grantee under the Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue. Any further grant of options in excess of this 1% limit shall be subject to issuance of a circular by the Company and approved by its shareholders in accordance with the Listing Rules.

購股權計劃的主要條款概述如下：

所授出每份購股權的本公司每股股份行使價將由董事會全權酌情釐定，但無論如何須至少為下列各項之較高者：

- (1) 股份於必須為交易日的提呈授出購股權當日（「授出日期」）在聯交所刊發日報表所載收市價；
- (2) 股份於緊接授出日期前五個交易日在聯交所刊發的日報表所載平均收市價；及
- (3) 股份於授出日期的面值。

接納購股權後，承授人須向本公司支付1.00港元作為授出的代價。提呈授出的購股權必須於本公司發出的提呈函件中所指定日期前獲接納。根據購股權計劃授出的任何購股權的行使期自授出日期起計不得超過10年，並於該10年期最後一天屆滿，且須受購股權計劃載列的提早終止條文所限。於任何12個月期間根據購股權計劃向每名承授人已授出及將予授出的購股權（包括已行使、註銷及尚未行使的購股權）獲行使而已發行及將予發行的最高股份數目，不得超過已發行股份總數1%。倘進一步授出的購股權超過該1%限額，則須待本公司刊發通函及根據上市規則獲其股東批准後方可作實。

Other Information 其他資料

Details of share options outstanding during the period are as follows: 期內購股權餘額資料如下：

		Outstanding as at 1 January 2017 於2017年 1月1日 尚未行使 '000	Granted during the period 期內授出 '000	Exercised during the period 期內行使 '000	Cancelled during the period 期內沒收 '000	Expired during the period 期內屆滿 '000	Outstanding as at 30 June 2017 於2017年 6月30日 尚未行使 '000
Share options with exercise price of HKD6.64							
Directors							
Mr. AN Yubao	安郁寶先生	6,000	-	-	-	-	6,000
Ms. LI Qian	黎倩女士	6,000	-	-	-	-	6,000
Professor ZHU Quan	朱荃教授	1,200	-	-	-	-	1,200
Employees							
In aggregate	總計	8,843	-	-	(821)	-	8,022
		22,043	-	-	(821)	-	21,222
Share options with exercise price of HKD4.01							
Directors							
Mr. AN Yubao	安郁寶先生	4,000	-	-	-	-	4,000
Ms. LI Qian	黎倩女士	4,000	-	-	-	-	4,000
Professor ZHU Quan	朱荃教授	2,000	-	-	-	-	2,000
Employees							
In aggregate	總計	39,380	-	-	(4,059)	-	35,321
		49,380	-	-	(4,059)	-	45,321
		71,423	-	-	(4,880)	-	66,543

The share options outstanding at 30 June 2017 had a weighted average exercise price of HKD4.85 and a weighted-average remaining contractual life of 8.1 years.

Apart from the aforesaid Share Option Scheme, at no time during the six months ended 30 June 2017 was any of the Company and its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age of 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such right.

Share Award Scheme

The Board of the Company had adopted a Share Award Scheme on 21 July 2014 as a means to recognise the contributions by the selected employees and provide them with incentives in order to retain them for the continual operation and development of the Group and attract suitable personnel for the further development of the Group.

Pursuant to the Share Award Scheme, the selected employees may be granted during the duration of the Share Award Scheme an award in the form of Awarded Shares. Awarded Shares will be purchased by the trustee of the Company (“Trustee”) on the market out of cash contributed by the Company and be held on trust for the selected employees until such shares are vested on them in accordance with the provisions of the Share Award Scheme. The Board shall not make any further award of Awarded Shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to a selected employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

As at 30 June 2017, 19,803,000 ordinary shares were held by the Trustee under the Share Award Scheme, among which 19,698,000 shares were held on behalf of the Company while the remaining 105,000 shares were held on behalf of certain employees.

於2017年6月30日，尚未行使購股權加權平均行使價為4.85港元，加權平均剩餘合約年期為8.1年。

除上述購股權計劃外，於截至2017年6月30日止六個月內任何時間，本公司及其附屬公司任何一方概無成為任何安排的訂約方，致使董事可透過收購本公司或任何其他法人團體的股份或債權證而獲利，亦無任何董事、其配偶或未滿18歲的子女擁有可認購本公司股份或債權證的任何權利或已行使任何有關權利。

股份獎勵計劃

本公司董事會於2014年7月21日採納了一項股份獎勵計劃，以嘉許獲選員工作出的貢獻並以資獎勵，從而挽留彼等為本集團持續經營及發展效力，並為本集團進一步發展吸引合適人才。

根據股份獎勵計劃，獲選僱員可於股份獎勵計劃期間獲授獎勵股份形式的獎勵。本公司受託人（「受託人」）可於市場以本公司的現金供款購買獎勵股份，並代表獲選僱員以信託形式持有獎勵股份，直至該等股份根據股份獎勵計劃條文歸屬予彼等為止。倘授出獎勵股份將導致董事會根據股份獎勵計劃授出的股份面值超出本公司不時之已發行股本的10%，則董事會不得增授獎勵股份。每一獲選僱員根據股份獎勵計劃可獲授的最大股份數目不得超出本公司不時之已發行股本的1%。

於2017年6月30日，受託人根據股份獎勵計劃持有19,803,000股普通股，其中19,698,000股股份為代表本公司持有，而其餘的105,000股股份則代表若干僱員持有。

Other Information 其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2017, the Directors and chief executives of the Company had the following interests or short positions in the shares, underlying shares and debentures of the Company, its group members and/or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

the Company

董事及主要行政人員於股份、相關股份及債權證之權益或淡倉

於2017年6月30日，董事及本公司主要行政人員於本公司、其集團成員公司及／或相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中，擁有已記入根據證券及期貨條例第352條規定存置的登記冊之權益或淡倉，或根據標準守則已另行知會本公司及聯交所的權益或淡倉如下：

本公司

Name of Director 董事姓名	Nature of Interest and Capacity 權益性質及身份	Number and Class of Securities ⁽¹⁾ 證券數目及類別 ⁽¹⁾	Approximate Percentage of Shareholding 概約股權百分比
AN Yubao ⁽²⁾ 安郁寶 ⁽²⁾	Beneficial owner 實益擁有人	18,565,817 Shares (L) 18,565,817股(L)	2.24%(L)
AN Yubao ⁽³⁾ 安郁寶 ⁽³⁾	Interest of controlled corporation 受控制法團權益	196,674,000 Shares (L) 196,674,000股(L)	23.75%(L)
LI Qian ⁽²⁾ 黎倩 ⁽²⁾	Beneficial owner 實益擁有人	15,865,261 Shares (L) 15,865,261股(L)	1.92%(L)
LI Qian ⁽⁴⁾ 黎倩 ⁽⁴⁾	Interest of controlled corporation 受控制法團權益	126,373,000 Shares (L) 126,373,000股(L)	15.26%(L)
ZHU Quan ⁽²⁾ 朱荃 ⁽²⁾	Beneficial owner 實益擁有人	3,200,000 Shares (L) 3,200,000股(L)	0.33%(L)
CHENG Xinxin 成欣欣	Beneficial owner 實益擁有人	2,740,000 Shares (L) 2,740,000股(L)	0.33%(L)

Notes:

- (1) The letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation.
- (2) Including shares in relation to 10,000,000 share options, 10,000,000 share options and 3,200,000 share options granted during the period to Mr. AN Yubao, Ms. LI Qian and Professor ZHU Quan respectively under the Share Option Scheme adopted on 2 December 2013.
- (3) The entire issued share capital of Central Success Developments Limited ("**Central Success**") is owned by Mr. AN Yubao, therefore, Mr. AN Yubao is deemed to be interested in all the Shares held by Central Success under the provisions of SFO.
- (4) The entire issued share capital of Double Grace International Limited ("**Double Grace**") is owned by Ms. LI Qian, therefore, Ms. LI Qian is deemed to be interested in all the Shares held by Double Grace under the provisions of SFO.

Save as disclosed above, as at 30 June 2017, none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company, any of its group members or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code.

附註：

- (1) 英文字母「L」代表董事於本公司或相關相聯法團的股份中的好倉。
- (2) 包括根據於2013年12月2日採納之購股權計劃於期內分別授予安郁寶先生的10,000,000份購股權、授予黎倩女士的10,000,000份購股權及授予朱荃教授的3,200,000份購股權之相關股份。
- (3) 中成發展有限公司（「中成」）的全部已發行股本由安郁寶先生擁有，因此，根據證券及期貨條例的條文，安郁寶先生被視為於中成所持全部股份中擁有權益。
- (4) Double Grace International Limited（「Double Grace」）的全部已發行股本由黎倩女士擁有，因此，根據證券及期貨條例的條文，黎倩女士被視為於Double Grace所持全部股份中擁有權益。

除上文披露者外，於2017年6月30日，董事及本公司主要行政人員概無於本公司、其任何集團成員公司或其相聯法團（定義見證券及期貨條例第XV部）任何股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何其他權益或淡倉（包括彼等根據證券及期貨條例有關條文被當作或視為擁有的權益或淡倉），或根據證券及期貨條例第352條須記入該條文所述的登記冊內或根據標準守則規定的任何其他權益或淡倉。

Other Information 其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2017, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company, its group members and/or associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

主要股東於本公司股份及相關股份中之權益及／或淡倉

於2017年6月30日，就董事所知，以下人士／實體（董事及本公司主要行政人員除外）於本公司、其集團成員公司及／或相聯法團股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或已記入根據證券及期貨條例第336條本公司須存置的登記冊內的權益或淡倉：

Name of Shareholder 股東名稱／姓名	Nature of Interest and Capacity 權益性質及身份	Number and Class of Securities ⁽¹⁾ 證券數目及類別 ⁽¹⁾	Approximate Percentage of Shareholding 概約股權百分比
Guidoz Limited ⁽²⁾	Beneficial owner	110,050,000 Shares (L)	13.29%(L)
Guidoz Limited ⁽²⁾	實益擁有人	110,050,000股(L)	
YOUNG Wai Po, Peter ⁽²⁾	Interest of controlled corporation	110,050,000 Shares (L)	13.29%(L)
楊惠波 ⁽²⁾	受控制法團權益	110,050,000股(L)	
Central Success ⁽³⁾	Beneficial owner	196,674,000 Shares (L)	23.75%(L)
中成 ⁽³⁾	實益擁有人	196,674,000股(L)	
Double Grace ⁽⁴⁾	Beneficial owner	126,373,000 Shares (L)	15.26%(L)
Double Grace ⁽⁴⁾	實益擁有人	126,373,000股(L)	
Greenwoods Asset Management Limited ^{(5)&(6)}	Investment manager	59,312,000 shares (L)	7.16%(L)
景林資產管理有限公司 ^{(5)&(6)}	投資經理	59,312,000股(L)	
Greenwoods Asset Management Holdings Limited ^{(5)&(6)}	Interest of controlled corporation	59,312,000 shares (L)	7.16%(L)
景林資產管理控股 有限公司 ^{(5)&(6)}	受控制法團權益	59,312,000股(L)	
Unique Element Corp. ^{(5)&(6)}	Interest of controlled corporation	59,312,000 shares (L)	7.16%(L)
Unique Element Corp. ^{(5)&(6)}	受控制法團權益	59,312,000股(L)	
JIANG Jinzhi ^{(5)&(6)}	Interest of controlled corporation	59,312,000 shares (L)	7.16%(L)
蔣錦志 ^{(5)&(6)}	受控制法團權益	59,312,000股(L)	

Notes:

- (1) The letter "L" denotes the person's long position in the shares of the Company or the relevant group member. The letter "S" denotes the person's short position in the shares of the Company or the relevant group member.
- (2) The entire issued share capital of Guidoz Limited is legally and beneficially owned by Mr. YOUNG Wai Po. By virtue of the SFO, Mr. YOUNG Wai Po is deemed to be interested in all the Shares held by Guidoz Limited.
- (3) The entire issued share capital of Central Success is legally and beneficially owned by Mr. AN Yubao. By virtue of the SFO, Mr. AN Yubao is deemed to be interested in all the Shares held by Central Success.
- (4) The entire issued share capital of Double Grace is legally and beneficially owned by Ms. LI Qian. By virtue of the SFO, Ms. LI Qian is deemed to be interested in all the Shares held by Double Grace.
- (5) Greenwood Asset Management Limited controls 7.16% of the Company's shares through Golden China Master Fund, Golden China Plus Master Fund and Greenwood China Alpha Master Fund in the capacity of Manager of the funds. The entire issued share capital of Greenwood Asset Management Limited is legally and beneficially owned by Greenwood Asset Management Holdings Limited. Greenwood Asset Management Holdings Limited is ultimately owned as to 81% by Unique Element Corp. which is controlled by Mr. JIANG Jinzhi.
- (6) The Company has been informed by Greenwood Asset Management Limited that it disposed of a net total of 634,000 shares from the market for funds and accounts under its management during the period from 3 May 2017 to 30 June 2017.

附註：

- (1) 英文字母「L」代表有關人士於本公司或相關集團成員公司的股份中的好倉。英文字母「S」代表有關人士於本公司或相關集團成員公司的股份中的淡倉。
- (2) Guidoz Limited的全部已發行股本由楊惠波先生合法及實益擁有。根據證券及期貨條例，楊惠波先生被視為於Guidoz Limited所持全部股份中擁有權益。
- (3) 中成的全部已發行股本由安郁寶先生合法及實益擁有。根據證券及期貨條例，安郁寶先生被視為於中成所持全部股份中擁有權益。
- (4) Double Grace的全部已發行股本由黎倩女士合法及實益擁有。根據證券及期貨條例，黎倩女士被視為於Double Grace所持全部股份中擁有權益。
- (5) 景林資產管理有限公司通過作為金色中國基金、金色中國加強基金及景林中國阿爾法基金之基金管理人的方式控制本公司7.16%的股份。景林資產管理有限公司全部已發行股本由景林資產管理控股有限公司合法及實益擁有。景林資產管理控股有限公司由蔣錦志先生所控制的Unique Element Corp.最終擁有81%。
- (6) 本公司獲景林資產管理有限公司通知，其於2017年5月3日至2017年6月30日期間透過其管理的基金和賬戶於市場合共淨購入634,000股股份。

Other Information 其他資料

Save as disclosed above, as at 30 June 2017, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company, its group members or associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

COMPETITION AND CONFLICT OF INTERESTS

For the six months ended 30 June 2017, none of the Directors or Controlling Shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interest with the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2017, the Company entered into the Share Buy-back Agreement with First Kind on 6 February 2017 pursuant to which the Company agreed to acquire and First Kind agreed to dispose of its shares in the Company with details as follows:

Month of repurchase 購回月份	Number of ordinary shares of HKD0.10 each of the Company 本公司 每股面值0.10港元 的普通股數目	Price per share 每股價格 HKD 港元	Aggregate consideration paid 已付總代價		
			HKD'000 千港元	RMB'000 人民幣千元	
April 2017	2017年4月	146,140,200	3.837	560,740	495,246

Further details of the Share Buy-back (including the reasons for making the buy-back) were disclosed in the Company's announcements dated 6 February 2017, 11 April 2017 and 24 April 2017, and the Company's circular dated 20 March 2017.

除上文披露者外，於2017年6月30日，董事並不知悉任何其他人士／實體（董事及本公司主要行政人員除外）於本公司、其集團成員公司或相聯法團中，擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露之股份或相關股份之權益或淡倉，或已記入根據證券及期貨條例第336條本公司須存置的登記冊內的權益或淡倉。

競爭及利益衝突

於截至2017年6月30日止六個月，概無董事或本公司控股股東或任何彼等各自的聯繫人從事與本集團業務構成或可能構成競爭的任何業務或與本集團有任何其他利益衝突。

購買、出售或贖回本公司上市證券

於截至2017年6月30日止六個月，本公司與First Kind訂立股份購回協議，據此，本公司同意收購而First Kind同意出售其持有的本公司股份，詳情如下：

有關股份購回的進一步詳情（包括進行購回的原因）已經於本公司日期為2017年2月6日、2017年4月11日及2017年4月24日之公告及日期為2017年3月20日之通函內披露。

Save for the above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the 6 months ended 30 June 2017.

DISCLOSURE PURSUANT TO RULES 13.18 AND 13.21 OF THE LISTING RULES

Reference is made to the announcement of the Company dated 17 March 2017. On 11 April 2017, pursuant to a commitment letter dated 17 March 2017, the Company entered into a formal Term Loan Facility Agreement (the “**Loan Agreement**”) with BNP Paribas, acting through its Hong Kong Branch (the “**Lender**”), pursuant to which the Lender agreed to grant the Company a three year term loan facility of up to HKD560,000,000. Pursuant to the Loan Agreement, if (a) Mr. AN Yubao (“**Mr. AN**”, the current Chairman of the Company's Board of Directors) and Central Success Developments Limited (which is wholly owned by Mr. AN) and Ms. LI Qian (“**Ms. LI**”, a current Executive Director and the Chief Executive Officer of the Company) and Double Grace International Limited (which is wholly owned by Ms. LI) cease collectively to (i) be the beneficial owners, either directly or indirectly, of at least 30% of the issued share capital of the Company or (ii) be the single largest shareholder, either directly or indirectly, of the Company; or (b) Central Success Developments Limited ceases to be wholly-owned by Mr. AN and/or his family; or (c) Double Grace International Limited ceases to be wholly-owned by Ms. LI and/or her family, which each of them will constitute an event of default, all outstanding amounts under the Loan Facility (including principal and interest) shall become immediately due and payable. As at 30 June 2017, these obligations continued to exist and were complied with.

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

除上述披露外，於截至2017年6月30日止六個月，本公司及其任何附屬公司均無購買、出售或贖回本公司任何上市證券。

根據上市規則第13.18條及第13.21條作出披露

茲提述本公司日期為2017年3月17日之公告。於2017年4月11日，根據日期為2017年3月17日之貸款承諾函，本公司與法國巴黎銀行（透過其香港分行）（「**貸款人**」）訂立一份正式定期貸款協議（「**貸款協議**」），據此，貸款人同意向本公司授出一筆為期3年最高金額達560,000,000港元之貸款。根據貸款協議，如(a)安郁寶先生（「**安先生**」，本公司現任董事會主席）及中成發展有限公司（安先生全資擁有之公司）及黎倩女士（「**黎女士**」，本公司現任執行董事及總裁）及Double Grace International Limited（黎女士全資擁有之公司）合併計算不再為(i)直接或間接持有本公司已發行股本最少30%權益之實益擁有人或(ii)本公司直接或間接之單一最大股東；或(b)中成發展有限公司不再由安先生和／或其家庭成員全資擁有；或(c)Double Grace International Limited不再由黎女士和／或其家庭成員全資擁有，每項均將構成違約事件，其時所有貸款餘額（包括本金及利息）將立即到期和應付。於2017年6月30日，該等條件仍然存在及被遵守。

優先購股權

本公司組織章程細則或開曼群島法例並無有關優先購股權的條文致使本公司有責任按比例向現有股東發售新股份。

Other Information 其他資料

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules during the six months ended 30 June 2017.

CORPORATE GOVERNANCE REPORT

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Company has adopted and complied with the code provisions set out in Appendix 14, *Corporate Governance Code and Corporate Governance Report*, of the Listing Rules (the “**Code Provisions**”) during the six months ended 30 June 2017.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. The Company confirms that, having made specific enquiry of all Directors, all the Directors have complied with the required standards of dealing as set out in the Model Code during the six months ended 30 June 2017.

充足公眾持股量

根據本公司可公開取得的資料以及據董事所知，本公司於截至2017年6月30日止六個月期間一直維持上市規則所訂明的公眾持股量。

企業管治報告

配合及遵守企業管治原則及常規之公認標準一直為本公司最優先原則之一。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

於截至2017年6月30日止六個月，本公司採納並遵守了列載於上市規則附錄十四**企業管治守則**及**企業管治報告**所載之守則條文（「**守則條文**」）的規定。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「**標準守則**」）。經向所有董事作出具體查詢後，本公司確認於截至2017年6月30日止六個月所有董事均已遵守標準守則所載有關買賣之規定標準。

BOARD DIVERSITY POLICY

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development, and has adopted the Board Diversity Policy.

All Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria, having due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted:

- (A) at least 40% of the members of the Board shall be non-executive Directors or independent non-executive Directors;
- (B) at least 1/3 of the members of the Board shall be independent non-executive Directors;
- (C) at least 1 of the members of the Board shall have obtained accounting or relevant financial management professional qualifications;
- (D) at least 50% of the members of the Board shall have 7 years or more of experience in the industry he/she is specialised in; and
- (E) at least 2 of the members of the Board shall have China-related work experience.

董事會多元化政策

本公司明白並深信董事會成員多元化對提升公司的表現素質裨益良多。為達致可持續及均衡的發展，本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵元素，並已採納董事會多元化政策。

董事會所有委任均以用人唯才為原則，並在考慮人選時以適當的條件充分顧及董事會成員多元化的裨益。甄選人選將按一系列多元化範疇為基準，除教育背景、專業經驗、技能、知識及服務任期外，亦包括但不限於性別、年齡、文化背景及種族。最終將按人選的長處及將為董事會提供的貢獻而作決定。

就實施董事會多元化政策，以下可計量目標已被採納：

- (A) 至少40%董事會成員須為非執行董事或獨立非執行董事；
- (B) 至少1/3董事會成員須為獨立非執行董事；
- (C) 至少1名董事會成員須獲得會計或相關的財務管理專業資格；
- (D) 至少50%董事會成員須於其專長的行業擁有7年或以上經驗；及
- (E) 至少2名董事會成員須擁有中國相關工作經驗。

Other Information 其他資料

AUDIT COMMITTEE

The Company established the Audit Committee on 2 December 2013 with written terms of reference in compliance with paragraph C.3.3 and C.3.7 of the Code Provisions. Its terms of reference were amended on 16 December 2015 and came into effective from 1 January 2016, which are available on the websites of the Company and the Stock Exchange.

The Audit Committee reports to the Board and has held regular meetings to review and make recommendations to improve the Group's financial reporting process and internal controls. The primary duties of the Audit Committee, among other things, are to make recommendation to the Board on the appointment, re-appointment and removal of external auditor, review the financial statements and advice in respect of financial reporting and oversee internal control procedures of the Group.

As at the date of this interim report, the Audit Committee consists of three members and all of them are independent non-executive Directors, namely Ms. CHENG Xinxin (chairlady), Mr. FENG Zhongshi and Mr. SU Yuanfu.

The unaudited interim results of the Group for the six months ended 30 June 2017 have been reviewed by the Audit Committee and the Company's external auditor KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement and this interim report are published on the websites of the Company (www.chinaconsun.com) and the Stock Exchange (www.hkexnews.hk).

By order of the Board
Consun Pharmaceutical Group Limited
AN Yubao
Chairman

Hong Kong, 24 August 2017

審核委員會

本公司已於2013年12月2日成立審核委員會，並已遵照守則條文第C.3.3和C.3.7段以書面釐定其職權範圍。其職權範圍於2015年12月16日獲修訂及於2016年1月1日生效，於本公司及聯交所網站可供查閱。

審核委員會向董事會報告，並定期召開會議以檢討並提出推薦建議以改進本集團的財務報告程序及內部監控。審核委員會的主要職責是（其中包括）就外聘核數師的委任、重新委任和解聘向董事會提供推薦建議、審閱財務報表及就財務報告事宜提供建議和監察本集團的內部監控程序。

於本中期報告日期，審核委員會由三名成員組成，均為獨立非執行董事，分別為成欣欣女士（主席）、馮仲實先生以及蘇元福先生。

本集團截至2017年6月30日止六個月未經審核中期業績已由審核委員會及本公司外聘核數師畢馬威會計師事務所根據香港會計師公會頒佈之香港審閱工作準則第2410號，由實體之獨立核數師執行之中期財務資料審閱，予以審閱。

刊發中期業績及中期報告

中期業績公告及本中期報告於本公司網站 (www.chinaconsun.com)及聯交所網站 (www.hkexnews.hk)刊載。

承董事會命
康臣藥業集團有限公司
主席
安郁寶

香港，2017年8月24日



康臣药业集团有限公司

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