





# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

- 張曉鵬
- 陸文佐

### Non-Executive Directors

- 趙令歡
  - 林盛
- 707

**PRINCIPAL PLACE OF BUSINESS  
IN HONG KONG**

Unit 7, 7/F, 7 Wing  
7 Wing  
7 Wing

**REGISTERED OFFICE**

7 Wing  
7 Wing  
7 Wing

**COMPANY SECRETARY**

7 Wing

**ADDRESS**

7 Wing

**HONG KONG LEGAL ADVISOR**

7 Wing & 7 Wing

**COMPLIANCE ADVISOR**

7 Wing

**HONG KONG BRANCH SHARE REGISTRAR  
AND TRANSFER OFFICE**

7 Wing  
7 Wing  
7 Wing  
7 Wing  
7 Wing

**CAYMAN ISLANDS PRINCIPAL SHARE  
REGISTRAR AND TRANSFER OFFICE**

7 Wing  
7 Wing  
7 Wing  
7 Wing  
7 Wing

## FINANCIAL HIGHLIGHTS

	\$	JUNE 30,
	2017	2016
	RMB'000	RMB'000
	( )	( )
Revenue	88,209	77,777
Operating income	60,399	51,111
Operating profit	45,202	38,111
Operating profit margin	68.5%	60.0%
Operating profit margin	51.2%	50.0%
Operating profit margin	0.297	0.297
Operating profit margin	17,686	17,686
Operating profit margin	735	735
Operating profit margin	20,821	20,821
Operating profit margin	8,393	8,393

Operating profit margin increased by 7.3 percentage points from 51.2% in 2016 to 58.5% in 2017, primarily due to the increase in operating profit margin of the Hospital Group.

Operating profit margin increased by 1.2 percentage points from 50.0% in 2016 to 51.2% in 2017, primarily due to the increase in operating profit margin of the Hospital Group.

Operating profit margin increased by 0.0 percentage points from 0.297 in 2016 to 0.297 in 2017, primarily due to the increase in operating profit margin of the Hospital Group.

B İŞİNE İLİŞKİN İZLENLER VE PROJEKSİYONLAR

2017 yılı için hazırladığımız stratejik planlarımızın "C" ve "G" kategorilerinde... "D" kategorisinde...

2017 yılı için hazırladığımız stratejik planlarımızın... %11'lik bir artış... 7...

2017 yılı için hazırladığımız stratejik planlarımızın... 2018 yılı için hazırladığımız stratejik planlarımızın...

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

#### Revenue

Our revenue increased by 7% from 7 months of 2017 to 7 months of 2018. The increase was primarily due to the increase in the number of inpatient and outpatient services provided, and the increase in the average length of stay of inpatients.

	\$	July 30,
	2017	2018
	RMB'000	RMB'000
	( )	( )
Revenue from inpatient services	12,980	13,700
Revenue from outpatient services	4,258	4,700
Revenue from other services	70,207	70,207
Revenue from government subsidies	764	764
<b>Total Revenue</b>	<b>88,209</b>	<b>89,371</b>

#### Operating Expenses

Our operating expenses increased by 7% from 7 months of 2017 to 7 months of 2018. The increase was primarily due to the increase in the number of inpatient and outpatient services provided, and the increase in the average length of stay of inpatients. The increase in operating expenses was primarily due to the increase in the number of inpatient and outpatient services provided, and the increase in the average length of stay of inpatients. The increase in operating expenses was primarily due to the increase in the number of inpatient and outpatient services provided, and the increase in the average length of stay of inpatients.





## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

Our financial performance for the period ended 31 December 2017 is summarized in the following table:

### Profit before income tax, interest and other income

Our profit before income tax, interest and other income for the period ended 31 December 2017 was 7,747 million RMB, an increase of 7% from 7,247 million RMB for the period ended 31 December 2016.

Our profit margin for the period ended 31 December 2017 was 7.2%, an increase from 6.8% for the period ended 31 December 2016. The increase in profit margin was mainly due to the increase in operating profit margin from 6.8% to 7.2% for the period ended 31 December 2017, which was primarily driven by the increase in operating profit margin from 6.8% to 7.2% for the period ended 31 December 2017.

### Assets, Net Profit

Our assets for the period ended 31 December 2017 were 7,747 million RMB, an increase of 7% from 7,247 million RMB for the period ended 31 December 2016. Our net profit for the period ended 31 December 2017 was 7,247 million RMB, an increase of 7% from 6,747 million RMB for the period ended 31 December 2016. The increase in net profit was primarily driven by the increase in operating profit margin from 6.8% to 7.2% for the period ended 31 December 2017.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

### USE OF PROCEEDS FROM THE LISTING

The net proceeds from the listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong, after deducting the expenses incurred in connection with the listing, amounted to approximately HK\$1,000 million. The Company has used the net proceeds from the listing for the following purposes:

### EXPOSURE TO FOREIGN EXCHANGE RISK

The Company's revenue is primarily derived from the provision of hospital services in Hong Kong. The Company's expenses are primarily incurred in Hong Kong and the United States. The Company is exposed to foreign exchange risk arising from the fluctuations in the exchange rates of the Hong Kong dollar and the United States dollar against the Renminbi.

### PLEDGE OF ASSETS

The Company does not have any assets pledged to secure any loans or other financial obligations.

### MATERIAL INDEBTEDNESS

The Company does not have any material indebtedness to any bank or other financial institution.

### MATERIAL ACQUISITIONS AND DISPOSALS

The Company has not made any material acquisitions or disposals of assets or businesses during the reporting period.

### EVENTS AFTER THE REPORTING PERIOD

The Company has not had any events after the reporting period that have had a material impact on its financial position or performance.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at the end of the reporting period, the following persons held long or short positions in the shares of the Company:





## CORPORATE GOVERNANCE AND OTHER INFORMATION

### CHANGES TO DIRECTORS' INFORMATION

There have been no changes to the information provided in the 2016 Annual Report regarding the directors of the Company.

### EMPLOYEE AND REMUNERATION POLICIES

The Company's remuneration policy is designed to attract, retain and motivate the most talented individuals to drive the Company's performance. The policy is based on the following principles: (i) remuneration should be linked to the Company's performance; (ii) remuneration should be competitive; (iii) remuneration should be fair; (iv) remuneration should be transparent; and (v) remuneration should be simple. The Company's remuneration policy is set out in the Remuneration Policy Statement, which is available on the Company's website at [www.royalcanin.com](http://www.royalcanin.com).

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to the highest standards of corporate governance and is a signatory to the UK Corporate Governance Code.



# CORPORATE GOVERNANCE AND OTHER INFORMATION

## A DI COMMITTEE

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# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF HOSPITAL CORPORATION OF CHINA LIMITED

中 国 医 药 集 团 有 限 公 司 董 事 会

## INTRODUCTION

本 公 司 董 事 会 委 托 本 所 对 中 国 医 药 集 团 有 限 公 司 2017 年 中 期 财 务 报 告 进 行 审 查 并 出 具 审 查 报 告 。 本 所 已 于 2017 年 7 月 27 日 完 成 了 审 查 工 作 。

# INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EQUITY

	2017	2016
	RMB'000	RMB'000
	( )	( )
Equity attributable to holders of ordinary shares	88,209	7,777
Reserves	(46,231)	—
<b>Equity attributable to holders of ordinary shares</b>	<b>41,978</b>	<b>7,777</b>
Equity attributable to holders of preferred shares	—	—
Reserves	(28,252)	—
Reserves	(232)	—
<b>Equity attributable to holders of preferred shares</b>	<b>1,623</b>	<b>—</b>
Equity attributable to holders of convertible preferred shares	15,117	—
Reserves	662	—
Reserves	(8,393)	—
<b>Equity attributable to holders of convertible preferred shares</b>	<b>7,386</b>	<b>—</b>
Reserves	(9,819)	7,777
<b>(Liabilities)/Preference shares</b>	<b>(2,433)</b>	<b>—</b>
Reserves	—	—
<b>(Liabilities)/Preference shares</b>	<b>(2,433)</b>	<b>—</b>
<b>Attributable to holders of ordinary shares:</b>		
Equity attributable to holders of ordinary shares	(12,291)	—
Reserves	9,858	—
<b>Attributable to holders of ordinary shares</b>	<b>(2,433)</b>	<b>—</b>
<b>(Liabilities)/Equity attributable to holders of convertible preferred shares</b>	<b>(0.103)</b>	<b>7,777</b>

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	J u n e 30, 2017 RMB' 000 ( U n d e r l i n e )	m
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,438	
Intangible assets	1,080,325	7
Financial assets	244	7
Other non-current assets	548	—
	1,102,555	77
<b>Current assets</b>		
Accounts receivable	80,933	—
Prepaid expenses	1,485	7
Other receivables	5,172	7
Inventory	708	7
Other current assets	41,778	7
Accounts payable	456,556	—
Other payables	30,000	—
	616,632	—
	1,719,187	7 77
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	7 123	
Reserves	7 404,021	—
Other equity	7 (3)	—
	1,060,802	—
Minority interest	48,306	7
	1,513,249	7
<b>Non-current liabilities</b>	51,725	7
	1,564,974	—

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	June 30, 2017 RMB'000 (unaudited)	June 30, 2016 RMB'000 (unaudited)
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Long-term borrowings	37,375	37,375
Other non-current liabilities	2,866	2,866
	<u>40,241</u>	<u>40,241</u>
<b>Current liabilities</b>		
Accounts payable	4,697	4,697
Other payables	3,622	3,622
Other current liabilities	100,191	100,191
	<u>108,510</u>	<u>108,510</u>
	<u>148,751</u>	<u>148,751</u>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	A. 2017		B. 2016		C. 2015		D. 2014	
	\$ RMB' 000	\$ RMB' 000	\$ RMB' 000	RMB' (N. 18) 000	RMB' (N. 18) 000	\$ RMB' 000	\$ RMB' 000	\$ RMB' 000
(A. 2017)								
B. 2017, 1, 2017	65	(2)	—	1,058,416	60,597	1,119,076	41,867	1,160,943
C. 2017, 1, 2017	—	—	—	—	(12,291)	(12,291)	9,858	(2,433)
R. 2017, 1, 2017	(65)	2	—	63	—	—	—	—
L. 2017, 1, 2017	—	—	—	—	—	—	—	—
C. 2017, 1, 2017	89	(3)	(86)	—	—	—	—	—
L. 2017, 1, 2017	—	—	—	—	—	—	—	—
2017, 1, 2017	34	—	434,827	—	—	434,861	—	434,861
\$ 2017, 1, 2017	—	—	(30,720)	—	—	(30,720)	—	(30,720)
\$ 2017, 1, 2017	—	—	—	2,323	—	2,323	—	2,323
B. 2017, 30, 2017	<u>123</u>	<u>(3)</u>	<u>404,021</u>	<u>1,060,802</u>	<u>48,306</u>	<u>1,513,249</u>	<u>51,725</u>	<u>1,564,974</u>
(A. 2016)								
B. 2016, 1, 2016	—	—	—	7	—	7	—	—
C. 2016, 1, 2016	—	—	—	—	—	—	—	—
P. 2016, 1, 2016	—	—	—	—	—	—	—	—
L. 2016, 1, 2016	—	—	—	—	—	—	—	—
2016, 1, 2016	—	—	—	—	—	7	—	7
\$ 2016, 1, 2016	—	—	—	—	—	—	—	—

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	\$	JUN 30,
	2017	2016
	RMB'000	RMB'000
	( )	( )
<b>Cash flows from operating activities</b>		
Change in operating assets and liabilities	42,727	117
Change in operating liabilities	(7,818)	71
Change in operating assets	662	—
<b>Net cash generated from operating activities</b>	<u>35,571</u>	<u>188</u>
<b>Cash flows from investing activities</b>		
Use of cash for acquisition of subsidiaries	(775)	—
Use of cash for acquisition of intangible assets	(93,100)	—
Use of cash for purchase of property and equipment	(30,000)	—
Use of cash for investment in subsidiaries	12,2( )	—
<b>Net cash used in investing activities</b>	<u>(113,675)</u>	<u>( )</u>
<b>Net change in cash and cash equivalents</b>	<u>(78,104)</u>	<u>( )</u>
<b>Cash and cash equivalents at the beginning of the period</b>	403,9156	( ) (G)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

The condensed consolidated interim financial information of the Company is prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Standards for Small and Medium Entities (IFRS for SMEs) as issued by the IASB, as applicable to the Company, and the Accounting Standards for Private Enterprises (ASPE) as issued by the Canadian Accounting Standards Board (ASB), as applicable to the Company.

7. The condensed consolidated interim financial information of the Company is prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Standards for Small and Medium Entities (IFRS for SMEs) as issued by the IASB, as applicable to the Company, and the Accounting Standards for Private Enterprises (ASPE) as issued by the Canadian Accounting Standards Board (ASB), as applicable to the Company.









# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 4 EŞİTİM VE İZLENİM

Şirketimiz, eğitim ve izlenim faaliyetleri için gerekli olan maliyetleri, personel giderlerini ve diğer maliyetleri giderler hesabına kaydedmektedir. Eğitim ve izlenim faaliyetleri için yapılan harcamaların, şirketin gelecekteki faaliyetleri için faydalı olacağına inanılmaktadır.

Şirketimiz, eğitim ve izlenim faaliyetleri için gerekli olan maliyetleri, personel giderlerini ve diğer maliyetleri giderler hesabına kaydedmektedir. Eğitim ve izlenim faaliyetleri için yapılan harcamaların, şirketin gelecekteki faaliyetleri için faydalı olacağına inanılmaktadır.

## 5 FİNANÇ RİSK YÖNETİMİ VE FİNANÇ İZLENİMİ

### 5.1 Finansman Riskleri

Şirketimiz, finansman riskleri için gerekli olan maliyetleri, personel giderlerini ve diğer maliyetleri giderler hesabına kaydedmektedir. Finansman riskleri için yapılan harcamaların, şirketin gelecekteki faaliyetleri için faydalı olacağına inanılmaktadır.

Şirketimiz, finansman riskleri için gerekli olan maliyetleri, personel giderlerini ve diğer maliyetleri giderler hesabına kaydedmektedir. Finansman riskleri için yapılan harcamaların, şirketin gelecekteki faaliyetleri için faydalı olacağına inanılmaktadır.

Şirketimiz, finansman riskleri için gerekli olan maliyetleri, personel giderlerini ve diğer maliyetleri giderler hesabına kaydedmektedir. Finansman riskleri için yapılan harcamaların, şirketin gelecekteki faaliyetleri için faydalı olacağına inanılmaktadır.

### 5.2 Likidite Riskleri

Şirketimiz, likidite riskleri için gerekli olan maliyetleri, personel giderlerini ve diğer maliyetleri giderler hesabına kaydedmektedir. Likidite riskleri için yapılan harcamaların, şirketin gelecekteki faaliyetleri için faydalı olacağına inanılmaktadır.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 5.3 Financial Instruments

The Group's financial instruments include cash and cash equivalents, accounts receivable, other receivables, other payables, accounts payable, other payables, financial assets and financial liabilities.

- The Group's financial instruments are measured at fair value.
- The Group's financial instruments are classified into Level 1, Level 2 and Level 3.
- The Group's financial instruments are classified into Level 1, Level 2 and Level 3.

The Group's financial instruments are classified into Level 1, Level 2 and Level 3.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
( )				
Assets				
Accounts receivable				
Other receivables				
Financial assets				
Liabilities				
Accounts payable				
Other payables				
Financial liabilities				

The Group's financial instruments are classified into Level 1, Level 2 and Level 3.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 5.3 Financial Instruments

#### 5.3.1 Financial Instruments

The following table summarizes the carrying amounts of the Company's financial instruments as at July 31, 2017:

	Million US Dollars	
	\$	Million RMB
As at July 30, 2017		
	RMB'000	
( )		
Financial assets	—	—
Financial liabilities	93,100	—
Financial instruments	(12,200)	—
Financial assets	33	—
Financial liabilities	80,933	—
Financial instruments	33	—
Financial assets	—	—
Financial liabilities	—	—
Financial instruments	—	—

The carrying amounts of the Company's financial instruments as at July 31, 2017 are presented in the following table:

As at July 31, 2017

Financial assets

Financial liabilities

Financial instruments

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 5.3 Financial Instruments

#### 5.3.1 Financial Instruments

	RMB'000	US\$'000
As at June 30, 2017	\$	m
As at June 30, 2017	RMB'000	US\$'000

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 5.4 Financial risk management objectives and policies

The Group's financial risk management objectives and policies are to:

- ensure the Group's ability to meet its financial obligations
- ensure the Group's ability to raise funds to finance its operations
- manage the Group's exposure to foreign exchange risk
- manage the Group's exposure to interest rate risk
- manage the Group's exposure to credit risk
- manage the Group's exposure to liquidity risk
- manage the Group's exposure to market risk
- manage the Group's exposure to counterparty risk

## 6 SEGMENT INFORMATION

The Group's financial performance is presented in the following table for the periods ended 31 July 2017 and 31 July 2016.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 6 SEGMENT INFORMATION

#### (i) Hospital Services

Our hospital services segment includes the operations of our hospitals, which are primarily engaged in providing inpatient and outpatient services. The segment's revenue is primarily derived from the provision of hospital services, including inpatient services, outpatient services, and medical examinations.

#### (ii) Medical Products

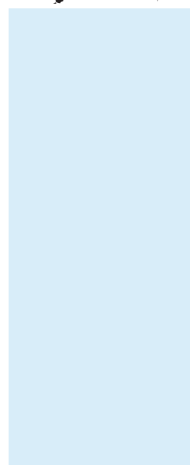
Our medical products segment includes the operations of our medical products companies, which are primarily engaged in the production and sale of medical products. The segment's revenue is primarily derived from the sale of medical products, including medical devices, pharmaceuticals, and medical consumables.



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 7 REVENUE

\$ 1,234,567,890 June 30,



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

8 OTHER (LOSSES)/GAINS—NET

	June 30,
Net income	1,000
Other (losses)/gains—net	(100)
	900
	—
	900

9 OTHER INCOME

	June 30,
Other income	100
	—
	100





## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 13 PROPERTIES, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Period ended June 30, 2017 RMB'000	Period ended June 30, 2016 RMB'000	Period ended June 30, 2016 RMB'000
(Continued)			
Net book value at the beginning of the period	7	7	—
Depreciation expense	—	—	—
Disposal of assets	—	—	—
Net book value at the end of the period	<u>7</u>	<u>7</u>	<u>—</u>
Carrying amount at the end of the period	<u>7</u>	<u>7</u>	<u>—</u>
(Continued)			
Net book value at the beginning of the period	77	7	—
Depreciation expense	—	—	—
Disposal of assets	—	—	—
Net book value at the end of the period	<u>77</u>	<u>7</u>	<u>—</u>
Carrying amount at the end of the period	<u>77</u>	<u>7</u>	<u>—</u>

### 14 TRADE RECEIVABLES

	As at June 30, 2017 RMB'000 (Continued)	As at June 30, 2016 RMB'000
Trade receivables	5,681	—
Provision for doubtful debts	(509)	—
Trade receivables, net	<u>5,172</u>	<u>—</u>
Trade receivables are measured at fair value less expected credit losses. The carrying amount of trade receivables is measured at amortized cost less expected credit losses.		

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 14 TRADE RECEIVABLES

The following table shows the aging of trade receivables as at the end of the reporting period:

	As at June 30, 2017 RMB'000 ( )	As at June 30, 2016 RMB'000 ( )
Within 3 months	2,751	2,542
3 to 6 months	2,542	—
6 to 12 months	388	—
Over 12 months	—	—
	<u>5,681</u>	<u>—</u>

### 15 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at June 30, 2017 RMB'000 ( )	As at June 30, 2016 RMB'000 ( )
Prepayments	347	—
Deposits	81	—
Others	—	—
	<u>428</u>	<u>—</u>



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 16 BALANCES WITH RELATED PARTIES

The following table shows the balances with related parties as at 30 June 2017 and 30 June 2016. The balances are denominated in RMB unless otherwise stated.

	As at June 30, 2017 RMB'000 ( )	As at June 30, 2016 RMB'000 ( )
<b>A</b>		
Accounts receivable	41,678	7
Prepaid expenses	57	—
Other receivables	27	—
Other payables	8	—
Other liabilities	8	—
	—	—
	<u>41,778</u>	<u>7</u>

The following table shows the balances with related parties as at 30 June 2017 and 30 June 2016. The balances are denominated in RMB unless otherwise stated.

	As at June 30, 2017 RMB'000 ( )	As at June 30, 2016 RMB'000 ( )
<b>B</b>		
Accounts payable	41,678	7
Other payables	—	—
Other liabilities	—	—
	—	—
	<u>41,678</u>	<u>7</u>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 16 BALANCES WITH RELATED PARTIES

	As at June 30, 2017 RMB'000 ( )	As at June 30, 2016 RMB'000 ( )
Accounts receivable	4,136	1,177
Other receivables	561	1,177
<b>Total</b>	<b>4,697</b>	<b>2,354</b>
Accounts payable	1,177	1,177
Other payables	1,177	1,177
<b>Total</b>	<b>2,354</b>	<b>2,354</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 17 SHARE CAPITAL, RESERVE SHARES AND SHARE PREMIUM

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17 ~~SHARE CAPITAL, RESERVE SHARES AND SHARE PREMIUM~~ *..*

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## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 19 TRADE PAYABLES

The following table shows the reconciliation of the carrying amount of trade payables at the beginning and end of the reporting period:

	Amount	RMB'000
At 30 June 2017	3,595	—
Trade payables arising from the sale of goods	—	—
Trade payables arising from the sale of services	—	—
Trade payables arising from the sale of other goods	27	7
	<u>3,622</u>	<u>7</u>

The carrying amount of trade payables is denominated in RMB, except for trade payables arising from the sale of other goods which are denominated in USD.

### 20 ACCRUALS, OTHER PAYABLES AND PROVISIONS

	Amount	RMB'000
Accruals	6,219	7
Other payables	34,805	—
Provisions	30,591	—
Trade payables arising from the sale of goods	21,984	—
Trade payables arising from the sale of services	158	7
Trade payables arising from the sale of other goods	2,648	7
Trade payables arising from the sale of other goods	2,549	7
	<u>4,103</u>	<u>77</u>
	<u>103,057</u>	<u>77</u>
	<u>2,866</u>	<u>—</u>
	<u>100,191</u>	<u>77</u>

The carrying amount of accruals, other payables and provisions is denominated in RMB, except for trade payables arising from the sale of other goods which are denominated in USD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

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## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 21 DEFERRED INCOME TAX

Deferred income tax

	June 30, 2017	June 30, 2016	December 31, 2015
	RMB' 000	RMB' 000	RMB' 000
Income tax assets	(30,758)	(5,707)	(36,465)
Income tax liabilities	432	(1,342)	(910)
<b>Balance at June 30, 2017</b>	<b>(30,326)</b>	<b>(7,049)</b>	<b>(37,375)</b>
<b>(A)</b>		7	7
<b>Balance at June 30, 2016</b>			

### 22 DIVIDENDS

On June 30, 2017, the Company has not declared any dividends. On June 30, 2016, the Company has not declared any dividends.

### 23 COMMITMENTS

(i) Contingent liabilities

The Company has provided a guarantee for the bank loan of the subsidiary, which is classified as contingent liability.

	June 30, 2017	December 31, 2015
	RMB' 000	RMB' 000
Contingent liabilities	4,357	1,700
Contingent assets	9,493	7,000
	—	—
<b>Total</b>	<b>13,850</b>	<b>8,700</b>



24 SIGNIFICANT RELATED PARTY TRANSACTIONS

During the reporting period, the following transactions were entered into between the Company and its related parties. All transactions were conducted on normal commercial terms and conditions, and were approved by the Board of Directors of the Company.

The following table sets out the significant related party transactions for the reporting period:

Notes	Revenue	Cost of sales	Other income	Other expenses
1. Transactions with related parties				
2. Transactions with related parties				
3. Transactions with related parties				
4. Transactions with related parties				
5. Transactions with related parties				
6. Transactions with related parties				
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93. Transactions with related parties				
94. Transactions with related parties				
95. Transactions with related parties				
96. Transactions with related parties				
97. Transactions with related parties				
98. Transactions with related parties				
99. Transactions with related parties				
100. Transactions with related parties				

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 24 SIGNIFICANT RELATED PARTY TRANSACTIONS

(1) Significant related party transactions

	\$	June 30,
	2017	
	RMB' 000	
	( )	
	70,207	

(2) Board of Directors

On June 7, 2017, the Board of Directors

(3) Key Management Personnel

Key Management Personnel include the following individuals:

	\$	June 30,
	2017	
	RMB' 000	
	( )	

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 25 其他应付款项

### (一) 应付账款

于 2017 年 12 月 31 日，应付账款余额为人民币 1,234,567,890.12 元，其中账龄在一年以内的应付账款为人民币 1,234,567,890.12 元。应付账款主要为应付供应商的货款，账龄在一年以内。于 2017 年 12 月 31 日，应付账款中无应付关联方款项。

### (二) 应付职工薪酬

于 2017 年 12 月 31 日，应付职工薪酬余额为人民币 234,567,890.12 元，其中短期薪酬为人民币 234,567,890.12 元。应付职工薪酬主要为应付职工的工资、奖金、津贴和补贴等。于 2017 年 12 月 31 日，应付职工薪酬中无应付关联方款项。