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天津發展控股有限公司
TIANJIN DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 882)

**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2017
OF TIANJIN LISHENG PHARMACEUTICAL CO., LTD.**

This announcement is made by Tianjin Development Holdings Limited (the “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited to provide shareholders of the Company and the public with the audited consolidated financial results of its indirect non-wholly owned subsidiary, Tianjin Lisheng Pharmaceutical Co., Ltd. (天津力生製藥股份有限公司) (“**Lisheng Pharmaceutical**”), for the year ended 31 December 2017.

Lisheng Pharmaceutical is a company incorporated in the People’s Republic of China whose shares are listed on the Shenzhen Stock Exchange. As at the date of this announcement, the Company indirectly holds approximately 34.41% of the issued share capital of Lisheng Pharmaceutical. As determined by the board of directors of Lisheng Pharmaceutical, Lisheng Pharmaceutical proposed to distribute a cash dividend of RMB3.00 (tax inclusive) for every 10 shares to all of its shareholders based on the aggregate share capital of 182,454,992 (Lisheng Pharmaceutical’s total number of shares as at 31 December 2017). The aforesaid proposal is subject to the approval by shareholders at the 2017 annual general meeting of Lisheng Pharmaceutical. The audited consolidated income statement for the year ended 31 December 2017 and the audited condensed consolidated balance sheet as at 31 December 2017 of Lisheng Pharmaceutical prepared in accordance with China Accounting Standards for Business Enterprises are provided below:

Tianjin Lisheng Pharmaceutical Co., Ltd.
Consolidated Income Statement
For the year ended 31 December 2017

	For the year ended 31 December	
	2017	2016
	RMB	RMB
	(audited)	(audited)
1. Total operating income	1,029,433,431.40	846,853,223.73
Including: Operating income	1,029,433,431.40	846,853,223.73
2. Total operating costs	925,473,333.75	730,514,155.02
Including: Costs of sales	378,746,354.77	365,428,096.97
Business tax and surcharge	27,512,283.46	17,109,098.21
Selling expenses	307,954,458.92	193,373,074.84
Administrative expenses	217,273,434.42	155,723,778.40
Finance expenses	-10,265,545.24	-24,228,225.52
Impairment losses on assets	4,252,347.42	23,108,332.12
Add: Investment income	26,313,605.71	14,946,259.25
Including: Investment income from associates and joint ventures	-1,513,348.35	901,077.25
Gain on disposal of assets	-23,583.16	—
Other gains	376,016.85	—
3. Operating profit	130,626,137.05	131,285,327.96
Add: Non-operating income	1,584,902.96	2,803,464.21
Including: Gain on disposal of non-current assets	8,166.88	483,325.94
Less: Non-operating expenses	1,384,715.01	805,381.16
Including: Loss on disposal of non-current assets	44,256.18	381.16
4. Total profit	130,826,325.00	133,283,411.01
Less: Income tax expenses	14,009,080.73	17,677,105.27
5. Net profit	116,817,244.27	115,606,305.74
Net profit attributable to owners of parent company	116,817,244.27	115,606,305.74
6. Other comprehensive income, net of tax	—	—
7. Total comprehensive income	116,817,244.27	115,606,305.74
Total comprehensive income attributable to owners of parent company	116,817,244.27	115,606,305.74
8. Earnings per share:		
(1) Basic earnings per share (RMB/share)	0.64	0.63
(2) Diluted earnings per share (RMB/share)	0.64	0.63

Tianjin Lisheng Pharmaceutical Co., Ltd.
Condensed Consolidated Balance Sheet
As at 31 December 2017

	At 31 December 2017 RMB (audited)	At 31 December 2016 RMB (audited)
ASSETS		
Current assets	2,073,756,603.05	1,411,870,792.67
Non-current assets	<u>1,608,281,779.25</u>	<u>2,073,875,864.48</u>
Total assets	<u><u>3,682,038,382.30</u></u>	<u><u>3,485,746,657.15</u></u>
LIABILITIES		
Current liabilities	578,620,179.03	419,067,722.50
Non-current liabilities	<u>23,696,973.55</u>	<u>51,528,695.71</u>
Total liabilities	<u><u>602,317,152.58</u></u>	<u><u>470,596,418.21</u></u>
OWNERS' EQUITY		
Share capital	182,454,992.00	182,454,992.00
Capital reserves	1,691,564,108.23	1,691,564,108.23
Other comprehensive income	5,068,372.00	5,068,372.00
Special reserves	10,117,507.18	7,627,263.07
Surplus reserves	357,681,692.06	347,184,043.33
Undistributed profit	<u>832,834,558.25</u>	<u>781,251,460.31</u>
Total equity attributable to owners of parent company	<u><u>3,079,721,229.72</u></u>	<u><u>3,015,150,238.94</u></u>
TOTAL OWNERS' EQUITY	<u><u>3,079,721,229.72</u></u>	<u><u>3,015,150,238.94</u></u>
TOTAL LIABILITIES AND OWNERS' EQUITY	<u><u>3,682,038,382.30</u></u>	<u><u>3,485,746,657.15</u></u>

Shareholders of the Company should note that the above audited financial information pertains only to Lisheng Pharmaceutical and not to the Company itself.

Details of the audited consolidated financial results of Lisheng Pharmaceutical for the year ended 31 December 2017 are available on the website of Shenzhen Stock Exchange (www.szse.cn).

By Order of the Board
Tianjin Development Holdings Limited
Zeng Xiaoping
Chairman

Hong Kong, 22 March 2018

As at the date of this announcement, the board of directors of the Company consists of Mr. Zeng Xiaoping, Mr. Wang Zhiyong, Dr. Cui Di, Dr. Yang Chuan, Mr. Cheung Wing Yui, Edward, Dr. Chan Ching Har, Eliza*, Dr. Cheng Hon Kwan**, Mr. Mak Kwai Wing, Alexander**, Ms. Ng Yi Kum, Estella**, Mr. Wong Shiu Hoi, Peter** and Dr. Loke Yu**.*

* *non-executive director*

** *independent non-executive director*