CHINA MEDICAL SYSTEM HOLDINGS LIMITED

康哲藥業控股有限公司*

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 867)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE, 2015

The Board of Directors (the "Board") of China Medical System Holdings Ltd. (the "Company" or "CMS") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2015 (the "Reporting Period").

Financial Highlights

- Turnover up 22.7% to RMB1,676.4 million (H1 2014: RMB1,366.7 million)
- Profit for the period up 20.5% to RMB493.9 million (H1 2014: RMB410.0 million)
- Basic earnings per share up 18.4% to RMB0.2024 (H1 2014: RMB0.1709)
- As at 30 June 2015, the Group's bank balances and cash amounted to RMB411.2 million while readily realizable bank acceptance bills amounted to RMB154.1 million
- Declared interim dividend up 16.9% to RMB0.0794 per share (H1 2014: RMB0.0679)

** For identification purpose only*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2015

	NOTES	Six months ended 30 June 2015 RMB'000 (unaudited)	2014 RMB'000 (unaudited)
Turnover	3	1,676,404	1,366,738
Cost of goods sold		(718,473)	(629,846)
Gross profit		957,931	736,892
Other gains and losses		30,049	31,763
Selling expenses		(352,368)	(249,747)
Administrative expenses		(93,016)	(71,048)
Finance costs		(14,681)	(4,601)
Share of results of associates		5,004	94
Profit before taxation		532,919	443,353
Taxation	4	(39,028)	(33,396)
Profit for the period	5	493,891	409,957
Other comprehensive income (expense)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operation		486	2,881
Change in fair value on available-for-sale investments			
- fair value gain		-	62,070
- deferred tax relating to change in fair value		-	(14,266)
Share of other comprehensive income of an associate		64	2
Total comprehensive income for the period		494,441	460,644
Profit (loss) for the period attributable to:			
Owners of the Company		495,049	412,664
Non-controlling interests		(1,158)	(2,707)
		493,891	409,957
Total comprehensive income (expense) attributable to:			
Owners of the Company		495,599	463,351
Non-controlling interests		(1,158)	(2,707)
		494,441	460,644
		RMB	RMB
Earnings per share	7		
Basic		0.2024	0.1709
Diluted		0.2024	0.1709

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2015

	NOTES	30 June 2015 RMB'000 (unaudited)	31 December 2014 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		285,557	253,876
Prepaid lease payments		54,287	51,080
Interest in associates		1,310,559	1,308,462
Intangible assets		1,012,225	440,896
Goodwill		1,372,169	1,184,591
Deposit paid for acquisition of property, plant and equipment and intangible assets		138,227	90,179
Interest-bearing and secured loan receivable		10,305	11,183
Deferred tax assets		21,932	19,418
		4,205,261	3,359,685
Current assets			
Inventories		419,276	189,456
Trade and other receivables	8	1,209,629	876,245
Tax recoverable		4,150	-
Amount due from an associfate		40,861	26,899
Pledged bank deposits		23,991	209,481
Bank balances and cash		411,200	243,515
		2,109,107	1,545,596
Current liabilities			
Trade and other payables	9	557,414	252,643
Bank borrowings		514,586	484,241
Deferred consideration payables		12,361	5,500
Tax payable		27,746	46,287
		1,112,107	788,671
Net current assets		997,000	756,925
Total assets less current liabilities		5,202,261	4,116,610

	30 June 2015 RMB'000 (unaudited)	31 December 2014 RMB'000 (audited)
Capital and reserves		
Share capital	85,200	82,974
Reserves	4,907,958	3,907,865
Equity attributable to owners of the Company	4,993,158	3,990,839
Non-controlling interests	64,472	-
	5,057,630	3,990,839
Non-current liabilities		
Deferred tax liabilities	110,066	81,177
Deferred consideration payables	34,565	44,594
	144,631	125,771
	5,202,261	4,116,610

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2015 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014.

In the current interim period, the Group has applied, for the first time, certain new or revised International Financial Reporting Standards ("IFRSs") issued by the IASB that are mandatorily effective for the current interim period. The application of the new or revised IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net amount received and receivable for goods sold during the Reporting Period.

The Group determines its operating segments based on the internal reports reviewed by the chief operating decision maker, the Executive Directors of the Company that are used for resources allocation and assessment of segment performance.

The Group only has one reportable operating segment that is marketing, promotion, sales and manufacturing of pharmaceutical products.

The Group primarily operates in the PRC. All revenue for external customers are attributed to the PRC and a majority of non-current assets of the Group are located in the PRC.

4. TAXATION

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
Current tax:		
PRC Enterprise Income Tax	40,200	33,172
Hong Kong Profits Tax	1,776	1,317
Other jurisdictions	19	21
	41,995	34,510
Deferred taxation:		
Current period	(2,967)	(1,114)
Taxation charge for the period	39,028	33,396

5. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	7,708	7,470
Amortisation of intangible assets (included in cost of goods sold)	26,691	12,375
Cost of inventories recognised as an expense	688,066	613,769
Interest income	(5,924)	(14,495)
Net exchange (gain) loss	(4,178)	4,827

6. DIVIDENDS

During the Reporting Period, a final dividend of RMB0.0692 per share in respect of the year ended 31 December 2014 (six months ended 30 June 2014 (restated): RMB0.0526 per share in respect of the year ended 31 December 2013) was declared and paid to the owners of the Company. The aggregate amount of the final dividend declared and paid in the Reporting Period amounted to RMB172,118,000 (six months ended 30 June 2014 (restated): RMB127,055,000).

Subsequent to the end of the interim period, the directors have determined that an interim dividend of RMB0.0794 per share (six months ended 30 June 2014: RMB0.0679) will be paid to the owners of the Company whose names appear in the Register of Members on 2 September 2015.

7. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
Earnings for the purposes of basic earnings per share (profit for the period attributable to owners of the Company)	495,049	412,664

	Number of ordinary shares	
	As at 30 June	
	2015	2014
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,445,990,606	2,414,747,512

8. TRADE AND OTHER RECEIVABLES

	30 June 2015 RMB'000	31 December 2014 RMB'000
Trade receivables	810,172	584,770
Less: Allowance for bad and doubtful debts	(4,259)	(2,270)
	805,913	582,500
Bills receivables	154,080	150,751
Purchase prepayment	34,830	35,225
Other receivables and deposits	214,806	107,769
Total trade and other receivables	1,209,629	876,245

The Group normally allows a credit period ranging from 0 to 90 days to its trade customers. Lengthened credit period up to four months was allowed to some selected customers.

An aging analysis of the trade receivables (net of allowance for bad and doubtful debts) presented based on the invoice date at the respective reporting dates, which approximated the revenue recognition date, is as follows:

	30 June 2015 RMB'000	31 December 2014 RMB'000
0 - 90 days	732,020	544,774
91 - 365 days	73,255	37,354
Over 365 days	638	372
	805,913	582,500

The bills receivables of the Group are of the age within six months at the end of the Reporting Period.

9. TRADE AND OTHER PAYABLES

An aging analysis of the trade payables presented based on the invoice date at the end of the Reporting Period is as follows:

	30 June 2015	31 December 2014
	RMB'000	RMB'000
0 - 90 days	126,299	79,158
91 - 365 days	52	3
Over 365 days	182	61
	126,533	79,222
Payroll and welfare payables	47,022	56,317
Other tax payables	42,955	19,653
Consideration payable for acquisition of an intangible asset	232,163	-
Other payables and accruals	108,741	97,451
	557,414	252,643

The credit period on purchases of goods ranges from 0 to 120 days.

Management Discussion and Analysis

Business Review

China Medical System Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce that for the six months ended 30 June 2015 (the "Reporting Period"), the Group recorded turnover of RMB1,676.4 million (2014: RMB1,366.7 million), representing an increase of 22.7% over the same period of last year, while profit for the period reached RMB493.9 million (2014: RMB410.0 million), up 20.5% from the corresponding period of last year.

Affected by cost controls in medical insurance, price erosion caused by tendering in some provinces and delays in tendering timetables, as well as second price negotiations with a small number of hospitals in the first half of 2015, the Chinese healthcare industry continued to experience a slowdown in overall growth that began in 2014. Despite the sluggish growth in the Chinese healthcare industry, the Group nevertheless achieved satisfactory growth. This was mainly due to the Group`s abundant and diverse portfolio, exclusive product position, wide coverage and highly efficient marketing and promotion network, as well as sustained expansion into lower-tier cities and better refined operations.

Product Introduction and Development

1. Product Introduction

The Group committed to sustainable development through a strong push in new product introduction, the establishment of an abundant and premium portfolio, and further exploration of potential development for current products. Having operated in the Chinese market for two decades, the Group has gradually established a multilevel new product introduction system. The products can be marketed in the short-term: the Group will actively introduce directly-launched products, overseas products for which Import Drug Licenses ("IDL") have been obtained in China, and domestic products which have been granted production license approval. These products can be sold immediately after introduction. The mid-term pipeline products: the Group will actively look for products which have launched in overseas markets but have yet to gain IDL in China. The long-term pipeline products: the Group will look across the globe for innovative drug candidates at late stages of development in order to build a solid product foundation for its long-term sustainable development. The multilevel product introduction strategy can help the Group guarantee that it has a sufficient and constant supply of products to launch to the market, and that supports the continuous rapid growth of the Group in the future.

During the Reporting Period, the Group continued to introduce new products by purchasing assets related to products for the China market or through equity investment in the manufacturers of the products since the second half of 2014. This new product introduction model can ensure steady control over product rights while generating higher profit for the Group.

1.1 Added products that can be directly launched to the market via equity cooperation

On 10 November, 2014, the Group increased its stake in Tibet Rhodiola Pharmaceutical Holding Co. ("Tibet Pharmaceutical") to 26.61%, making it the largest shareholder of Tibet Pharmaceutical. The Group and Tibet Pharmaceutical signed an Exclusive Sale Agreement and a Promotion Service Agreement for NuoDiKang on 14 January, 2015. The agreements have an initial term commencing from the execution date of the Agreements and ending on 31 December, 2017, and the agreements can be extended to 31 December, 2020, subject to mutual agreement between the parties and compliance by Tibet Pharmaceutical with its applicable procedures.

On 7 December, 2014, the Group signed a series of framework agreements with the direct and indirect shareholders of Hebei Xinglong Xili Pharmaceutical Co., Ltd ("Xili Pharmaceutical"). Pursuant to the framework agreements, the Group shall acquire equity interests in Xili Pharmaceutical and gain exclusive sales and marketing rights for the DanShenTong capsule. On 16 January, 2015, the Group signed an "Exclusive Sale Agreement" and a "Promotion Service Agreement" with Xili Pharmaceutical and officially obtained the exclusive sales and marketing rights for the DanShenTong capsule.

1.2 Added products that can be directly launched to the market via purchase of assets related to the products for the China market

On 25 March, 2015, the Group purchased assets related to Combizym for the China market and other designated countries, as well as assets related to Hirudoid for the China market from DKSH International AG via an asset purchase agreement.

The four aforementioned products have already generated a certain amount of sales in the China market before they were added to the Group's portfolio, thus they can be directly launched to the market. These new products are suitable for the China market, and are marketed and promoted through the Group's Direct Academic Promotion Network (the "Direct Network"). The Group actively tailors the appropriate development strategies for such newly-introduced products so as to make them profitable after acquisition.

1.3 Added products at late stages of development as long-term pipeline via purchase of assets related to the products for the China market

Despite having products that can be directly launched to the market, during the Reporting Period, the Group has expanded the scope of its product introduction strategy to seek overseas products which are at late stages of development. The Group takes reference from the R&D model of Tyroserleutide (CMS024), in which R&D of products is sponsored by a private R&D company which is wholly-owned by the controlling shareholder of the Company, and the patent and commercial rights of the products are injected into the Company. The Company then pays the R&D company royalty fees representing an agreed upon percentage of sales of the products in the China market after the successful commercialization of the products. The Group`s introduction of Traumakine® in May 2015 is a successful example of this strategy.

On 8 May, 2015, a private company 100% owned by Dr. Lam Kong (the controlling shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) of the Company) (the "private company") entered into agreements (the "Faron Agreements") with Faron Pharmaceuticals Ltd. ("Faron"). In accordance with the Faron Agreements, the private company acquired 15.72% of the shares of Faron and acquired assets related to Traumakine® in China, Hong Kong, Macau and Taiwan (the "Territory"), as well as certain intellectual properties related to the product. On 19 May, 2015, a wholly-owned subsidiary of the Company (the "CMS Subsidiary"), entered into agreements with the private company and/or Faron ("Transfer Agreements"). Pursuant to the Transfer Agreements, the private company shall transfer the product assets in the Territory to the CMS Subsidiary. The consideration for the product assets transfer of Traumakine® will be further negotiated and agreed upon between the private company and CMS Subsidiary at a later stage prior to the launch of the product in the Territory, and the parties intend that the consideration for the transfer will be calculated with reference to the net sales of the product in the Territory. The private company will continue to invest in the development of Traumakine® within the Territory so that the Group does not need to pay any R&D costs during the late stage of development, and should only pay the private company royalty fees representing a certain percentage of sales of the product after it is successfully commercialized.

The Group believes that this model will be one of the most important models for introducing innovative products at late stages of development in the future.

2. Existing Product Development

2.1 Main Products under the Direct Network

During the Reporting Period, the Group strengthened its macro layout and boosted investment in

marketing for products under its Direct Network. As a result of its insistence on promoting the academic value of and brand education on its products, continuous exploration and cultivation of their selling points, and more refined network management as well as network devolution after the network adjustment, all of the main products under the Direct Network of the Group maintained significant growth.

Deanxit (Flupentixol and Melitracen)

Deanxit, manufactured by H. Lundbeck A/S of Denmark, is used for the treatment of mild to moderate depression and anxiety, and is on the National Reimbursement Drug List ("NRDL"). Based on IMS data in 2014, Deanxit is the most prescribed antidepressant drug in China. During the Reporting Period, the Group further explored the most attractive selling points of the product by expanding the expert network of Deanxit and setting up different types of academic platforms. During the Reporting Period, Deanxit recorded sales of RMB451.1 million, an increase of 17.3% when compared with the same period of the previous year.

Ursofalk (Ursodeoxycholic Acid)

Ursofalk, manufactured by Dr. Falk Pharma GmbH of Germany, is used for the treatment of cholesterol gallstones, cholestatic liver disease and bile reflux gastritis, and is on the NRDL. Based on IMS data in 2014, Ursofalk is the best-selling ursodeoxycholic acid drug in China, and ranked first in sales among digestive products in the Chinese cholagogue market. During the Reporting Period, the Group maintained a differentiated promotion strategy, consolidated its authoritative expert network, and combined epidemiological investigation, clinical research, medical guideline writing for Ursofalk to realize the product's multidisciplinary coverage. During the Reporting Period, Ursofalk recorded sales of RMB318.8 million, an increase of 19.5% when compared with the same period of the previous year.

XinHuoSu (Nesiritide, Lyophilized Recombinant Human Brain Natriuretic Peptide, "rhBNP")

XinHuoSu, manufactured by China Chengdu Rhodiola Biological Pharmaceutical Co., Ltd, a subsidiary of Tibet Pharmaceutical (of which the Group holds a 26.61% share), is a National Class One biological agent used to treat acute heart failure, and is the only rhBNP drug sold in China. XinHuoSu has gradually become the new standard of treatment for acute heart failure. On-going market development and brand publicity remained major tasks of the Group during the Reporting Period. Refining the regional layout and maintaining the expert network gave a further boost to the development of the product. During the Reporting Period, XinHuoSu recorded sales of RMB 218.9 million, an increase of 28.1 % when compared with the same period of the previous year.

The manufacturer of XinHuoSu suspended production in 2014, conducted technical reforms in compliance with GMP requirements of the 2010 version in China (the "new GMP"), was subsequently granted new GMP authentication on 11 February 2015, upon which it had recommenced production. Meanwhile, the exclusive sale and promotion agreement between the Group and Tibet Pharmaceutical performed well, which further deepened the product's market layout.

Salofalk (Mesalazine)

Salofalk, manufactured by Dr. Falk Pharma GmbH of Germany, is mainly used to treat Ulcerative Colitis and Crohn's disease. Salofalk is on the NRDL, and currently it is the mesalazine of the most complete formulation in China, and comes in three formulations, namely coated tablets, suppositories and enemas, with the suppositories in doses of 0.5g or 1g. The 1g dose is a new dosage which was approved during the Reporting Period, and is more convenient for patient use and shows better clinical effects than the 0.5g dosage. Different forms and dosages of Salofalk are used depending on the location and degree of the severity of symptoms of individual patients, allowing for optimal effectiveness of treatment. During the Reporting Period, the Group continued to improve the diagnosis of the indications mainly through persistent doctor education and guided prescription by doctors and also enhanced brand loyalty among patients through patient education. During the Reporting Period, Salofalk recorded sales of RMB86.6 million, an increase of 24.7% when compared with the same period of the previous year.

Bioflor (Saccharomyces Boulardii)

Bioflor, manufactured by Biocodex of France, is a probiotics agent used to treat diarrhea for adults and children, as well as diarrhea symptoms caused by the disturbance of intestinal flora. During the Reporting Period, the Group worked tirelessly to expand hospital coverage, continued to expand the penetration of the product in different departments, and continued to improve the expert network for the drug. During the Reporting Period, Bioflor recorded sales of RMB78.1 million, an increase of 44.0% when compared with the same period of the previous year.

Augentropfen Stulln Mono Eye-drops (Escuilin and Digitalisglycosides Eye-drops)

Augentropfen Stulln Mono Eye-drops, manufactured by Pharma Stulln GmbH of Germany, is used to treat age-related macular degeneration and all forms of ocular asthenopia. Augentropfen Stulln Mono Eye-drops is the only eye drops approved by China Food and Drug Administration (CFDA) for the treatment of macula degeneration and it's a preservative-free eye drops. During the Reporting Period, the Group constantly improved the popularity of the product through persistent brand publicity, while also launching extensive doctor education, constantly expanding the expert

network and continuous refining the promotion direction for the product. During the Reporting Period, Augentropfen Stulln Mono Eye-drops recorded sales of RMB70.1 million, an increase of 15.7% when compared with the same period of the previous year.

DanShenTong Capsule

DanShenTong capsule is a newly introduced product under the Direct Network via equity investment during the Reporting Period, and is manufactured by Xili Pharmaceutical and is on the NRDL. DanShenTong capsule is a plant-based antibiotic (broad spectrum) with multiple functions, and the major functions of the product are antisepsis and anti-inflammation. The drug is mainly used for the treatment of acne, tonsillitis, otitis externa, boils, carbuncles, traumatic infection, burn infection, mastitis, cellulitis, osteomyelitis, etc. During the Reporting Period, the Group completed the handover of the product from its original market, analyzed the academic literature on the product to establish a premium academic foundation for remodeling the product's brand image. During the Reporting Period, DanShenTong capsule recorded sales of RMB46.2 million.

NuoDiKang Capsule

NuoDiKang capsule is a newly introduced product under the Direct Network via equity investment during the Reporting Period, and is manufactured by Tibet Pharmaceutical, in which the Group holds a 26.61% share. The product is included on the National Essential Drug List（EDL） and NRDL, and is listed as a Traditional Chinese Medicinal Protection Product. The main functions of the product are boosting vital energy, activating blood circulation, freeing blood vessels and alleviating pain. It is used for chest impediments caused by a deficiency in vital energy and blood stasis, manifested as tightness in the chest, tingling or pain, palpitations, shortness of breath, lassitude, asthenic breathing, disinclination to talk, dizziness, coronary heart disease and angina with aforementioned symptoms. During the Reporting Period, the Group completed the handover of the product from its original market, and began to establish a core expert network for the product. Meanwhile, the Group also promoted the academic selling points of the product in accordance with experts and rebuilt its academic brand image by taking opportunities to attend academic conferences nationwide. During the Reporting Period, NuoDiKang capsule recorded sales of RMB22.7 million.

Hirudoid

Hirudoid is a newly introduced product under the Direct Network via purchase of assets related to the product for the China market during the Reporting Period, is manufactured by Mobilat Produktions GmbH (Germany). The active ingredient of Hirudoid is mucopolysaccharide polysulfate, and the drug is used for the treatment of various forms of phlebitis and soft tissue injuries, and is also used as an

adjuvant therapy for varicose veins surgery and postoperative sclerotherapy, and can also inhibit the formation of scars and soften existing scars. During the Reporting Period, the Group completed the handover of the product from its original market and laid a foundation for the academic promotion of the product by visiting experts frequently to prepare for the early phase of an expert network for the product, sorting and completing the selling points for the academic promotion of the product, etc. During the Reporting Period, Hirudoid recorded sales of RMB11.9 million.

Combizym (Oryz-Aspergillus Enzyme and Pancreatin Tablet)

Combizym is a newly introduced product under the Direct Network via purchase of assets related to the product for the China market and other designated countries, including China, during the Reporting Period, is manufactured by Nordmark Arzneimittel GmbH & Co. KG (Germany). The main ingredients of Combizym are pancreatin and aspergillusoryzae enzymes, and the drug is used for the treatment of dyspepsia caused by decreases in digestive enzymes. During the Reporting Period, the Group completed the market handover of the product from its original market, systemized its indications and academic materials, and actively established an expert network for the drug with the help of academic platforms such as national conferences in order to improve the product's brand among experts. During the Reporting Period, Combizym recorded sales of RMB4.6 million.

Lamisil® Tablet (Terbinafine Hydrochloride)

Lamisil® tablet is a product from Novartis AG and Novartis Pharma AG ("Novartis") that the Group introduced via purchase of all assets related to the product for the China market in 2014, and the product is manufactured by Beijing Novartis Pharma Ltd. The active ingredient of Lamisil® tablet is terbinafine hydrochloride, and the drug is an original product from Novartis, has been marketed in China for many years, and is included on the NRDL. The drug is used to treat fungal infections on skin and hair caused by dermatophytes such as trichophyton, microsporum canis and epidermophyton floccosum, as well as onychomycosis due to infection with dermatophyte (Hyphomycetes). Oral terbinafine is one of the systemic antifungal agents recommended by Chinese guidelines on tinea corporis and tinea cruris, tinea pedis, tinea capitis and onychomycosis. The Group is processing the transfer of the Drug Production License for Lamisil® tablet, and the production of Lamisil® tablet will be transferred to Kangzhe Hunan after properties transfer is done.

Parlodel® Tablet (Bromocriptine Mesilate)

Parlodel® tablet is a product from Novartis that the Group introduced via purchase of all assets related to the product for the China market in 2014, and the product is manufactured by Novartis

Farma S.P.A. in Italy. The active ingredient of Parlodel® tablet is bromocriptine mesilate, and it is also an original product from Novartis, has been marketed in China for several years, and is included on the NRDL. One of the product indications is for the treatment of hyperprolactinemia (HPRL), and is a standard first-line treatment product for HPRL as recommended by guidelines. The Group is processing the transfer of authorization of co-marketing and the IDL in China for Parlodel® tablet.

The promotion and sales work for Lamisil® tablet and Parlodel® tablet is being handled by Novartis, and Novartis settles profit from sales of the two products to the Group based an agreement until the Group completes the license transformation.

MOVICOL®（Macrogol Sodium Potassium Powder）

MOVICOL® is a newly introduced product under the Direct Network via purchase of assets related to the product for the China market in 2014, and is manufactured by British Norgine B.V. ("Norgine"). The active ingredients of MOVICOL® are macrogol 3350, sodium bicarbonate, sodium chloride and potassium chloride, and the drug is used for the treatment of chronic constipation and faecal impaction. As a well-known brand for the indications, it has been sold in Europe for many years, with annual sales of more than 100 million Euros over the last three years, and has a broad target market in China. The IDL for MOVICOL® is ready, but the product has yet to be sold the China market. The Group worked on various necessary procedures during the Reporting Period in order to formally sell the product in the China market in accordance with the relevant Chinese laws and regulations.

GanFuLe Tablet

GanFuLe tablet is manufactured by Kangzhe Lengshuijiang Pharmaceutical Co., Ltd. ("Kangzhe Lengshuijiang"), and is used for the treatment of primary liver cancer, cirrhosis and liver fibrosis. GanFuLe has been in clinical use for two decades, and is included on the NRDL (liver cancer), and is also the first national class three innovative TCM to receive approval. During the Reporting Period, GanFuLe tablet recorded sales of RMB29.8 million, an increase of 15.4% when compared with the same period of the previous year.

2.2 Products under the Agency Promotion Network ("Agency Network")

ShaDuoLiKa (YanHuNing Injection)

ShaDuoLiKa, manufactured by Chongqing Yaoyou Pharmaceutical Co., Ltd. ("Chongqing Yaoyou"), is an injection used in viral pneumonia and viral upper respiratory infection. During the

Reporting Period, the Group changed its agency agreement with the manufacturer, Chongqing Yaoyou, with ShaDuoLiKa becoming a national first-level agent (having previously been a national general agent), which had a negative impact on the sales and profit of the product. During the Reporting Period, ShaDuoLiKa recorded sales of RMB160.4 million, a decrease of 21.5% when compared with the same period of the previous year.

YiNuoShu (Ambroxol Hydrochloride for Injection)

YiNuoShu, for which the Group has the controlling rights, is the first generic version of an ambroxol hydrochloride injection in China, and is an expectorant product used for respiratory diseases. The product is manufactured by TIPR Pharmaceutical Responsible Co., Ltd. and Kangzhe (Hunan) Medical Co., Ltd. ("Kangzhe Hunan"). As Kangzhe Hunan underwent refurbishment to meet the new GMP standards during the Reporting Period, the Group found a third party to supplement the production of the drug. During the Reporting Period, YiNuoShu recorded sales of RMB80.7 million, an increase of 17.1% when compared with the same period of the previous year.

XiDaKang (Protein Hydrolysate Oral Solution/Oral Protein Hydrolysate)

XiDaKang is the only protein hydrolysate enteral nutrition agent approved by CFDA, and is sold in the form of an oral solution and granules. The Group obtained 100% product rights for XiDaKang, which is manufactured by Kangzhe Hunan. The Group has been active in making adjustments to match the characteristics of different markets and the actual situation of agents after establishing the commission model for XiDaKang to achieve mutually-beneficial long-term partnerships with the agents in order to better understand the hospital they represent. During the Reporting Period, XiDaKang recorded sales of RMB68.7 million, an increase of 330.0% when compared with the same period of the previous year.

YinLianQingGanKeLi

YinLianQingGanKeLi, manufactured by Beijing Yadong Biological Pharmaceutical Co., Ltd., is an exclusive TCM product that has been awarded a National New Drug Certificate, and is mainly used to treat various acute and chronic forms of hepatitis, alcoholic liver, and fatty liver. During the Reporting Period, YinLianQingGanKeLi recorded sales of RMB1.9 million, a decrease of 7.5% when compared with the same period of the previous year.

Summary of the major products of the Group:

Introduction	Products	As a Percentage of the Group' s Revenue
Rights Controlled	XinHuoSu	13.1
	YiNuoShu	4.8
	Augentropfen Stulln Mono Eye-drops	4.2
	XiDaKang	4.1
	DanShenTong Capsule	2.8
	GanFuLe Tablet	1.8
	NuoDiKang Capsule	1.4
	Hirudoid	0.7
	Combizym	0.3
	YinLianQingGanKeLi	0.1
	Lamisil® Tablet	0
	Parlodel® Tablet	0
	MOVICOL®	0
Exclusive Agency Contract	Deanxit	26.9
	Ursofalk	19.0
	ShaDuoLiKa	9.6
	Salofalk	5.2
	Bioflor	4.7

2.3 Other Products

Apart from the products mentioned above, other products sold by the Group such as Cystistat,

Exacin, KunNing Oral Solution, XiangFuYiXueKouFuYe etc. recorded total sales of approximately RMB25.7 million, accounting for approximately 1.5% of the Group's turnover during the Reporting Period.

3. Pipeline Products

3.1 Products undergoing application process for Import Drug Registration

The Group had nine products undergoing the application process for Import Drug Registration during the Reporting Period, and which will contribute to the Group's revenue after they are issued IDLs by the CFDA. Budenofalk rectum foam aerosol and enteric capsule were approved for clinical trial by the CFDA on 3 December, 2014 and 7 January, 2015, respectively. Key information on these products is listed below:

Products	Indications	Manufacturers	CFDA Pending Number
Budenofalk	Mainly used to treat Inflammatory Bowel Disease (IBD) and Crohn's Disease	Dr. Falk Pharma GmbH (Germany)	JXHL1100207 國 (Enteric Capsule)
			JXHL1100106 國 (Rectum Foam Aerosol
Maltofer®	Mainly used to treat iron deficiency without anemia ("ID") and iron deficiency with anemia ("IDA")	Vifor Pharma (Switzerland)	JXHL1400152 國 (Syrup)
			JXHL1400153 國 (Chewable Tablets)
Uro-Vaxom®	For the treatment and prevention of recurrent urinary tract infections and to stimulate the immune system and the body's natural defense against urinary pathogens		Material Preparation
Stimol® (Citrulline Malate Effervescence Powder)	Mainly used for the treatment of weakness and fatigue induced by various diseases and long-term fatigue and over-exertion, etc.	Biocodex (France)	JXHL1300177 國
Ze 339	For the treatment of allergic	Max Zeller Söhne AG	JXZL1500004

	rhinitis	(Switzerland)	
Ze 440	For the treatment of pre-menstrual syndrome and menstrual cycle disorder		JXZL1500003
Ze 450	For the treatment of menopausal discomfort		JXZL1500002
Succinylated Gelatin Injection	For initial management of hypovolaemic shock	Beacon Pharmaceuticals Limited (UK)	Material Preparation

For more information on import drug registration of the Group`s products, please refer to the CFDA website (http://www.sfda.gov.cn).

3.2 **Products with Independent Intellectual Property Rights**

3.2.1 **Tyroserleutide (CMS024)**

Tyroserleutide (CMS024), used to treat primary liver cancer, is a National Class One New Drug researched and developed by the Group and features independent intellectual property rights.. The phase III clinical trial, entitled "A Randomized, Double Blinded, Placebo Controlled, Multicenter Phase III Study to Evaluate the Safety and Efficacy of Tyroserleutide for Injection in the Patients with Hepatocellular Carcinoma", was unblinded on 28 February in 2014, and the clinical trial failed to achieve the expected results. Because the subgroup with no tumor thrombosis in the hepatic portal vein branches demonstrated a favorable trend during the clinical trial, the Group conducted a six-month follow-up study on subjects in the treatment group with continuous administration of the drug to observe survival time. The follow-up study was completed smoothly during the Reporting Period, and achieved significant results: according to statistical data from the study, a statistical significance in survival time between treatment group and placebo group has been observed, indicating that Tyroserleutide could prolong the survival time of liver cancer patients with no tumor thrombosis in the hepatic portal vein branches.

Based on the positive results from the follow-up study and analysis of earlier clinical trials, the Group has decided to carry out a new extended phase III clinical trial for Tyroserleutide, with plans to enroll 352 subjects (with an expected three years from the first enrollment to completion of the study). During the Reporting Period, the phase III extended clinical trial was under preparation. The costs of the clinical trial will still be borne by Kangzhe Pharmaceutical Research and Development (Shenzhen) Limited ("Kangzhe R&D"), and the Group will pay 13% of sales revenue to Kangzhe R&D as royalty fees after the successful launch of the product. If Tyroserleutide is successfully launched to the market, it will not only have great potential in the China market, but will also have a

major overall impact on human health.

3.2.2 Traumakine®

During the Reporting Period, A&B (HK) Company Limited ("A&B"), wholly-owned by Dr. Lam Kong, a controlling shareholder of the Group, acquired the assets related to Traumakine® for the China market and other designated regions as well as certain intellectual properties related to the product through equity corporation, and transferred the assets to the Group's wholly-owned subsidiary. A&B will continue to invest in the development of the product in China, and the Group will only be required to pay A&B a royalty fee in respect of a certain percentage of the sales revenue of the product in China after the successful commercialization of the product.

Traumakine® is a Recombinant Human Interferon beta-1a intravenous lyophilized preparation for the treatment of acute respiratory distress syndrome (ARDS). ARDS is an acute respiratory failure caused by a number of different factors, with progressive respiratory distress, refractory hypoxemia and non-cardiogenic pulmonary edema as clinical symptoms, and it is a common acute and critical clinical disease. ARDS involves several clinical sections, and common causes of ARDS include systemic infection, trauma, shock, burns, acute severe pancreatitis, etc. A total of four new use patents for Traumakine® have been submitted around the world, with three being authorized in the US, the EU and China; the remaining application is a Patent Cooperation Treaty (PCT) application. The product was designated as an orphan drug for acute lung injury by the EU on 29 November, 2007.

Traumakine® has undergone phase I/II clinical studies in the UK with 28-day mortality as the endpoint for primary effectiveness. The results show that the product improved mortality significantly (mortality in treatment group was 8%, compared to 32% in the control group, demonstrating an 81% reduction in the odds of 28-day mortality, p=0.01). Based on the positive results from the phase I/II clinical trials, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) held a scientific advice working party (SAWP) meeting for the project in November 2013 at which the SAWP agreed on the advice to be given to the applicant, and CHMP adopted the advice to be given to the applicant. Based on the advice, protocols for the phase III clinical trial have been finalized. The phase III clinical trial is divided into two separate studies conducted sequentially in time, the first study to be carried out in seven European countries, which has initiated recruitment in the third quarter of 2015, with recruitment expected to be completed within 12 months.

As there are currently no targeted drug treatments for ARDS, once the product is approved, it will

become the first life-saving drug in the world for the treatment of ARDS. Morbidity of ARDS is 59/100,000 per year in China, and the mortality rate is high (around 50% in China, and around 35-45% in Europe and the US). The product has great market potential once it is approved and launched to the market.

Network Expansion

1. Direct Network

During the Reporting Period, the adjusted Direct Network became more mature, and an integrated management mechanism was developed. Headquarters formulated macro strategies, while the regions, as the leading institutions, managed and supervised lower level organizations at the provincial level, while the local areas implemented the strategies and reported back to the provincial level in a timely manner. In the process, headquarters fully decentralized power to the regions and returned managerial power back to the market, which enables the Group to respond to market changes faster, increases flexibility in business operations and accuracy in management at all levels Furthermore, this enables the Group to better allocate resources. The structure makes clear the responsibility of each sales layer, and constantly expands the Direct Network to the lower-tier market, thereby establishing a more intensified network with wider coverage, allowing the promotion of more products and realizing greater efficiency in promotion.

Having successfully operated this new structure, during the Reporting Period, the Group proactively explored a better remuneration system. The remuneration system is guided by value creation and is based on the integrated capacity of individuals. The Group believes adequate and reasonable incentives can further improve the efficiency of the Direct Network.

The Group began to recruit fresh graduates from medical and pharmaceutical schools nationwide since 1998, and developed a well-established campus recruitment and training system. The interns who were recruited in the 20th campus recruitment campaign in September 2014 have completed internship programmes in the regional markets and the centralized training programmes at the Group's headquarters. The Group will commence a new round of campus recruitment in September 2015.

As at 30 June 2015, the Group's Direct Network had covered more than 18,000 hospitals in China.

2. Agency Network

During the Reporting Period, the Group continued to strengthen the management of its Agency Network and provided high quality academic support for product promotion. The Group continued

to train marketing managers of the Agency Network and sales representatives of independent third party agents, and also continued to supervise the integrated capacity of the agents while making reasonable adjustments to the network in a timely manner according to the market layout of the products as well as the sales performance.

Since 2014, the Group began to explore a commission model to achieve mutually-beneficial long-term partnerships with agents in order to better understand the hospital they represent. During the Reporting Period, the Group successfully completed the shift from the traditional district agency model to the commission model by using XiDaKang as a pilot product. Adopting the commission model allows for better, more effective management of agents and the market. With the help of the ERP system, the Group has gradually improved its related management system. The new agency model better fits the current situation in the Chinese healthcare industry, and also benefits the long-term development of the Group's Agency Network.

As at 30 June 2015, the Group's Agency Network had covered around 6,000 hospitals across the country.

Production Development

During the Reporting Period, the Group achieved a certain degree of progress in manufacturing: the restructuring of the workshop for small-volume injections of Kangzhe Hunan was completed to meet the requirements of the new GMP; the workshop for tablets (including earlier stage processing of TCMs) of Kangzhe LengShuiJiang was in the process of restructuring to meet the requirements of the new GMP. The foundation for the production base of the Group located in the Pingshan district of Shenzhen is nearly complete, and the workshop for freeze-dried powder and the workshop for polypeptide synthesis were granted production licenses.

Outlook and Future Development

Although the development of the Chinese healthcare industry has slowed since last year, the Group still believes that the industry's foundation is solid and that prospects remain bright. The Group has confidence in maintaining its leading position in the market and in delivering sustainable growth by sticking to its two core development strategies of continuous product introduction and network expansion.

As for product introduction, the Group will continue to gain high quality product assets, mainly through acquisition, to pave the way for long-term sustainable growth. In the area of existing products, the Group will continue to strive for a precise layout for product expansion in the China

market through different kinds of approaches to promotion. Meanwhile, the Group will also constantly cooperate closely with suppliers so as to realize win-win partnerships.

With respect to network expansion, the Group will continue to expand its Direct Network to the rural market and expand its capacity to host more products. The Group will improve its policies relating to the new business cooperation model with agents and will establish closer cooperation and complement both sides' premium resources to fully realize the economies of scale of the network.

As a company with a spirit of innovation, the Group has a proven track record in predicting the development trends of the healthcare industry. Going forward, the Group will keep pace with the development of China's healthcare industry and take the initiative to explore new business models and growth momentum to create a greater space for the Group`s development in the future.

Looking ahead, the Group will continue to exercise stringent internal control and efficient management, and will adopt a positive attitude to challenges. Meanwhile, the Group will continue to provide quality service to China's doctors and patients, establish an ideal career development platform for employees and create more value for the Group's business partners and the Company`s shareholders.

Financial Review

Turnover

Turnover increased by 22.7% from RMB1,366.7 million for the six months ended 30 June 2014 to RMB1,676.4 million for the six months ended 30 June 2015, mainly due to an increase in quantities sold of original products, and the sales contributed by new products. The selling prices of products saw no significant fluctuations, except for the price of XiDaKang sold to the agencies, which rose by 224.7% during the Reporting Period.

Gross Profit and Gross Profit Margin

Gross profit increased by 30.0% from RMB736.9 million for the six months ended 30 June 2014 to RMB957.9 million for the six months ended 30 June 2015, primarily reflecting growth in turnover. For the six months ended 30 June 2015, gross profit margin was 57.1%. Excluding the effect of an increase in price of XiDaKang sold to the agencies, gross profit margin increased to 55.9% for the six months ended 30 June 2015 from 53.9% for the six months ended 30 June 2014, mainly due to an increase in the weighting of products with higher gross profit margins.

Selling Expenses

Selling expenses increased by 41.1% from RMB249.7 million for the six months ended 30 June 2014 to RMB352.4 million for the six months ended 30 June 2015, primarily reflecting an increase in sales and academic promotion activities. Selling expenses as a percentage of turnover was 21.0% for the six months ended 30 June 2015. Excluding the effect of an increase in promotion expenses associated with the increase in price of XiDaKang sold to the agencies, selling expenses as a percentage of turnover increased to 18.7% for the six months ended 30 June 2015 from 18.3% for the six months ended 30 June 2014, mainly due to an increase in the weighting of the Direct Network with higher selling expenses.

Administrative Expenses

Administrative expenses increased by 30.9% from RMB71.0 million for the six months ended 30 June 2014 to RMB93.0 million for the six months ended 30 June 2015. Administrative expenses as a percentage of turnover increased by 0.3 percentage points from 5.2% for the six months ended 30 June 2014 to 5.5% for the six months ended 30 June 2015, mainly due to an increase in maintenance expenses, in addition to the administrative expenses incurred by the subsidiary Xili Pharmaceutical acquired in the current year.

Other Gains and Losses

Other gains and losses decreased by 5.4% from RMB31.8 million for the six months ended 30 June 2014 to RMB30.0 million for the six months ended 30 June 2015, mainly due to a decrease in interest income.

Share of Result of Associates

Share of result of associates increased by 5,223.4% from RMB0.1 million for the six months ended 30 June 2014 to RMB5.0 million for the six months ended 30 June 2015, mainly reflecting the profit of the newly added associate Tibet Pharmaceutical.

Finance Costs

Finance costs increased by 219.1% from RMB4.6 million for the six months ended 30 June 2014 to RMB14.7 million for the six months ended 30 June 2015, mainly due to an increase in the use of bank borrowings.

Profit for the Period

Net profit increased by 20.5% from RMB410.0 million for the six months ended 30 June 2014 to RMB493.9 million for the six months ended 30 June 2015, mainly due to the continuous growth in turnover.

Inventories

Inventories increased by 121.3% from RMB189.5 million as at 31 December 2014 to RMB419.3 million as at 30 June 2015, primarily reflecting growth in turnover, the addition of new products, the addition from the acquired subsidiary Xili Pharmaceutical, and the additional stocking of individual products due to the renewal of imported drug license. Average inventory turnover days increased by 21 days from 57 days for the six months ended 30 June 2014 to 78 days for the six months ended 30 June 2015.

Trade Receivables

Trade receivables increased by 38.4% from RMB582.5 million as at 31 December 2014 to RMB805.9 million as at 30 June 2015, primarily reflecting an increase in turnover, the addition from the acquired subsidiary Xili Pharmaceutical, and the addition arising from the change in selling mode of XiDaKang from base price mode to commission mode. Average trade receivables turnover days increased from 55 days for the six months ended 30 June 2014 to 76 days for the six months ended 30 June 2015.

Trade Payables

Trade payables increased by 59.7% from RMB79.2 million as at 31 December 2014 to RMB126.5 million as at 30 June 2015, primarily reflecting an increase in inventories purchased, as well as the addition from the acquired subsidiary Xili Pharmaceutical. Average trade payables days decreased from 17 days for the six months ended 30 June 2014 to 26 days for the six months ended 30 June 2015.

Liquidity and Financial Resources

The Group maintained a strong cash position during the Reporting Period. As at 30 June 2015, the Group's

bank balances and cash amounted to RMB411.2 million while readily realizable bank acceptance bills amounted to RMB154.1 million. As at 31 December 2014, our bank balances and cash amounted to RMB243.5 million while readily realizable bank acceptance bills amounted to RMB150.8 million.

Other Information

Interim dividend

The Board has resolved to pay an interim dividend of RMB0.0794 (equivalent to HK$0.0963 per ordinary share of the Company for the six months ended 30 June 2015 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 2 September 2015 (the "Record Date"). Payment of such interim dividend is expected to be made to the shareholders on Thursday, 10 September 2015.

Closure of Register of Members

The register of members of the Company will be closed from Monday, 31 August 2015 to Wednesday, 2 September 2015(both days inclusive), during which the registration of transfer of Shares will be suspended. To qualify for the interim dividend, all transfer forms of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Friday, 28 August 2015.

Purchase, Sale or Redemption of the Company's Listed Securities

Issue of new shares

On 31 March 2015, Treasure Sea Limited, the controlling shareholder of the Company, through a placing agent, placed an aggregate of 145,000,000 ordinary shares of par value US$0.005 each ("Shares") in the issued share capital of the Company to not less than six independent placees which were professional, institutional and other investors at a price of HK$11.86 per Share, and partially top-up its shareholding in the Company by subscribing for 72,500,000 new Shares at the same price per Share. The closing price of the Shares on 31 March 2015 as quoted by the Stock Exchange was HK$12.90 per Share and the aggregate nominal value of the subscription shares was US$362,500. The subscription shares were allotted and issued pursuant to the general mandate granted by the shareholders at the annual general meeting of the Company

held on 30 April 2014. The aggregate net proceeds from the subscription was approximately HK$857.01 million (equivalent to a net price per subscription share of HK$11.82), and the Company intends to apply the net proceeds to enlarge its product portfolio, through acquisition or otherwise, and for general working capital purposes. Details of the placing of existing Shares and the top-up subscription of new Shares can be found in the announcement of the Company dated 31 March 2015.

Audit Committee

The Company established an Audit Committee in 2007. The Audit Committee currently comprises three Independent Non-executive Directors, and is chaired by Mr. Wu Chi Keung, with Mr. Cheung Kam Shing, Terry and Mr. Huang Ming as Committee members.

The primary duties of the Audit Committee are to provide the Directors with an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Company, to oversee the audit process and to perform other duties and responsibilities as assigned by the Directors. The Audit Committee also oversees the Company's appointment of external auditors.

The Company's interim result announcement and interim report for the six months ended 30 June 2015 have been reviewed by the Audit Committee of the Company.

Corporate Governance Practices

During the Reporting Period, the Company has complied with the applicable principles and code provisions of the revised Corporate Governance Code as set out in Appendix 14 to the Listing Rules ("CG Code"), except for a deviation from the Code provision A.2.1 in respect of the roles of Chairman and CEO which shall not be performed by the same individual.

Mr. Lam Kong has been both the Chairman and CEO of the Company and his responsibilities are clearly set out in writing and approved by the Board. Given the Group's current stage of development, the Board

considers that vesting the roles of Chairman and CEO in the same person facilitates the execution of the Group's business strategies and maximizes the effectiveness of its operations. The Board shall nevertheless review the structure from time to time and shall consider any appropriate adjustments should new circumstances arise.

The Company makes available to Directors monthly updates, in order to keep the Directors informed of the Company's performance and operations. In addition, the Directors also receive regular updates from time to time on changes to and developments in the legislative and regulatory environments in which the Company operates.

All Directors participate in continuous professional development to develop and refresh their knowledge and skills and to ensure that their contribution to the Board remains informed and relevant. The Company keeps records of the trainings received by Directors.

Directors' Securities Transactions

The Company adopted the Model Code(amended from time to time) as set out in Appendix 10 of the Listing Rules as the code of conduct for Directors' securities transactions of the Company. Having made specific inquiries in relation to the compliance with Model Code for securities transactions by Directors, the Company confirmed that all the Directors have complied with the relevant standards for securities transactions by Directors set out in the Model Code during the Reporting Period. The Model Code also applies to other specified senior management of the Company.

Employees who are likely to be in possession of unpublished price-sensitive information about the Company are also subject to compliance with guidelines on no less exacting terms than the Model Code. No incident of non-compliance of the guidelines by such employees was noted by the Company in the Reporting Period.

Disclosure of Information

The interim report for the Reporting Period will be duly dispatched to shareholders of the Company and

published on websites of the HKEx (www.hkex.com.hk) and the Company (www.cms.net.cn).

By Order of the Board
China Medical System Holdings Limited
Lam Kong
Chairman

17 August 2015, Hong Kong

As at the date of the announcement, the directors of the Company include (i) executive directors Mr. Lam Kong, Mr. Chen Hongbing, Ms. Chen Yanling and Ms. Sa Manlin; (ii) Independent non-executive directors Mr. Cheung Kam Shing,Terry, Mr. Wu Chi Keung and Mr. Huang Ming.