

Stock Code: 000596, 200596

Stock Name: Gujing Distillery, Gujing Distillery-B

Announcement No. 2018-017

ANHUI GUJING DISTILLERY COMPANY LIMITED

INTERIM REPORT 2018 (SUMMARY)

Part I Important Notes

This Summary is based on the full text of the 2018 Interim Report of Anhui Gujing Distillery Company Limited (together with its consolidated subsidiaries, the “Company”, except where the context otherwise requires). In order for a full understanding of the Company’s operating results, financial condition and future development plans, investors should carefully read the aforesaid full text, which has been disclosed together with this Summary on the media designated by the China Securities Regulatory Commission (the “CSRC”).

Independent auditor’s modified opinion:

Applicable Not applicable

Board-approved interim cash and/or stock dividend plan for ordinary shareholders:

Applicable Not applicable

The Company has no interim dividend plan, either in the form of cash or stock.

Board-approved interim cash and/or stock dividend plan for preferred shareholders:

Applicable Not applicable

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

Part II Key Corporate Information

1. Stock Profile

Stock name	Gujing Distillery, Gujing Distillery-B	Stock code	000596, 200596
Stock exchange for stock listing	Shenzhen Stock Exchange		
Contact information	Board Secretary	Securities Representative	
Name	Ye Changqing	Mei Jia	
Office address	Gujing Town, Bozhou City, Anhui Province, P.R.China	Gujing Town, Bozhou City, Anhui Province, P.R.China	
Tel.	(0558) 5712231	(0558) 5710057	
E-mail address	gjzqb@gujing.com.cn	gjzqb@gujing.com.cn	

2. Key Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

	H1 2018	H1 2017	Change (%)
Operating revenue (RMB)	4,783,083,895.33	3,670,127,764.59	30.32%
Net profit attributable to the listed company's shareholders (RMB)	892,422,337.64	548,889,891.65	62.59%
Net profit attributable to the listed company's shareholders before exceptional items (RMB)	872,348,474.12	483,955,014.12	80.25%
Net cash generated from/used in operating activities (RMB)	668,946,891.61	425,365,224.08	57.26%
Basic earnings per share (RMB/share)	1.77	1.09	62.39%
Diluted earnings per share (RMB/share)	1.77	1.09	62.39%
Weighted average return on net assets (%)	13.94%	9.86%	4.08%
	30 June 2018	31 December 2017	Change (%)
Total assets (RMB)	11,210,703,795.70	10,152,862,119.05	10.42%
Net assets attributable to the listed company's shareholders (RMB)	6,802,798,440.44	6,459,078,378.38	5.32%

3. Shareholders and Their Holdings at Period-End

Unit: share

Name of shareholder		Nature of shareholder	Shareholding percentage	Number of shares	Restricted shares	Pledged or frozen shares	
						Status	Shares
Number of ordinary shareholders				18,171	Number of preferred shareholders with resumed voting rights (if any)		0
Top 10 shareholders							
ANHUI GUJING GROUP COMPANY LIMITED		State-owned legal person	53.89%	271,404,022		Pledged	114,000,000
NORGES BANK		Foreign legal person	2.89%	14,554,480			
GAOLING FUND,L.P.		Foreign legal person	2.47%	12,446,408			
AGRICULTURAL BANK OF CHINA- E FUND CONSUMPTION SECTOR STOCK SECURITIES INVESTMENT FUND		Other	1.49%	7,485,278			
CHINA INT'L CAPITAL CORP HONG KONG SECURITIES		Foreign legal person	1.46%	7,372,976			

LTD						
UBS (LUX) EQUITY FUND - CHINA OPPORTUNITY (USD)	Foreign person	legal	1.41%	7,096,361		
CENTRAL HUIJIN ASSET MANAGEMENT CO., LTD.	State-owned legal person		1.30%	6,543,600		
GREENWOODS CHINA ALPHA MASTER FUND	Foreign person	legal	0.98%	4,939,963		
UBS (LUX) EQUITY FUND - GREATER CHINA (USD)	Foreign person	legal	0.90%	4,541,338		
3W GREATER CHINA FOCUS FUND	Foreign person	legal	0.70%	3,529,479		
Connected or acting-in-concert parties among shareholders above	Among the shareholders above, the Company's controlling shareholder—Anhui Gujing Group Company Limited—is not a connected party of other shareholders; nor are they parties acting in concert as defined in the Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies. As for the other shareholders, the Company does not know whether they are connected parties or whether they belong to parties acting in concert as defined in the Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies.					
Shareholders conducting margin trading (if any)	N/A					

4. Change of Controlling Shareholder or Actual Controller in Reporting Period

Change of the controlling shareholder in the Reporting Period:

Applicable Not applicable

The controlling shareholder remained the same in the Reporting Period.

Change of the actual controller in the Reporting Period:

Applicable Not applicable

The actual controller remained the same in the Reporting Period.

5. Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable Not applicable

No preferred shareholders in the Reporting Period.

6. Corporate bonds

Does the Company have any corporate bonds publicly offered and listed on the stock exchange, which were undue before the date of this Report's approval or were due but could not be redeemed in full?

No.

Part III Operating Performance Discussion and Analysis

1. Business Overview of Reporting Period

Is the Company subject to any disclosure requirements for special industries?

No.

In the first half of 2018, China's economy was generally stable and further restructuring was seen. As for the liquor and spirits industry, concentration was increasing.

Under the common efforts of the Board and all the staff, for the six months from January to June 2018, the Company recorded operating revenue of RMB4,783 million, up 30.32% compared to the same period of last year; and a net profit attributable to the Company as the parent of RMB892 million, representing a year-on-year growth of 62.59%. As such, the operating goals that the Company had set for the first half of 2018 at the beginning of the year were all accomplished. To achieve that, the Company took the following main measures in the Reporting Period: ① continuously strengthening branding with more investments to carry forward the brand revitalization programme; ② promoting digital marketing to carry on with the "5.0" strategy; ③ reinforcing quality control, which has resulted in higher-quality liquor and spirits; ④ stimulating endogenous driving force through better management; ⑤ strengthening safety and environmental protection management to ensure smooth operations; ⑥ enhancing system and risk assessment to optimize business processes; and ⑦ improving corporate culture by promoting party committee-management integration.

2. Matters Related to Financial Reporting

(1) Changes in Accounting Policies, Accounting Estimates or Measurement Methods Compared to Last Accounting Period

Applicable Not applicable

No such changes.

(2) Retrospective Restatements due to Correction of Material Accounting Errors in Reporting Period

Applicable Not applicable

No such cases.

(3) Changes in Scope of Consolidated Financial Statements Compared to Last Accounting Period

Applicable Not applicable