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China Bio-Med Regeneration Technology Limited

中國生物醫學再生科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8158)

PROFIT WARNING

This announcement is made by China Bio-Med Regeneration Technology Limited (the “Company”, together with its subsidiaries, collectively the “Group”) pursuant to Rule 17.10(2) of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the information currently available and the unaudited consolidated management account of the Group for the financial year ended 30 April 2014, the consolidated final results of the Group for the financial year ended 30 April 2014 (the “Final Results”) are expected to record a significant loss as compared to that for the financial year ended on 30 April 2013. The deterioration of the Group’s Final Results is mainly attributable to:-

- (i) the recognition of an impairment loss in the amount of approximately HK\$142 million in respect of the fair value of the goodwill arising from the acquisition of Maylion Management Limited and its subsidiary in December 2013 (the “Acquisition”). The recognition of such impairment loss represents mainly an elimination of the difference recorded for share-based transaction between the fair values of the shares of the Company on the completion date of the Acquisition in December 2013 and the date of signing of the sales and purchase agreement in respect of the Acquisition in July 2013;

- (ii) the recognition of provision for debt element of convertible bond of approximately HK\$4.5 million; and
- (iii) the increase in the Group's research and development cost, employee benefit expenses and office rental and building management fee as consistently reported and disclosed in the Company's past quarterly and interim reports.

The Company is still in the process of finalising the Final Results. This profit warning announcement is only based on preliminary assessment by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group for the financial year ended 30 April 2014, which is subject to finalisation and has not been reviewed or audited by the Company's auditors and may be subject to adjustments. Shareholders of the Company and the potential investors are advised to read carefully the Final Results announcement which shall be released on 17 July 2014.

Shareholders of the Company and potential investors should exercise caution when interpreting the expected financial result described in this announcement and when dealing in the shares of the Company.

By Order of the Board
China Bio-Med Regeneration Technology Limited
Dai Yumin
Executive Director

Hong Kong, 14 July 2014

As at the date of this announcement, the executive Directors are Mr. Dai Yumin and Ms. Wang Yurong; the non-executive Directors are Professor Deng Shaoping, Mr. Wong Sai Hung, Mr. Cao Fushun, Mr. Yang Zhengguo, Mr. Ma Long and Mr. Wang Jianjun; and the independent non-executive Directors are Mr. Lui Tin Nang, Mr. Chan Wing Hang, Mr. Pang Chung Fai Benny and Mr. Chan Bing Woon, SBS, JP.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcement” page of the GEM website at www.hkgem.com for at least seven days from the date of the publication and will be published on the website of the Company at www.bmregeneration.com.