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WUYI INTERNATIONAL PHARMACEUTICAL COMPANY LIMITED

武夷國際藥業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1889)

PROFIT WARNING

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2) of the Listing Rules.

The Board hereby informs shareholders of the Company and potential investors that the Group is expected to record a significant decrease in consolidated net profit for the six-month period ended 30 June 2014 as compared to the six-month period ended 30 June 2013 or even record a loss for the six-month period ended 30 June 2014.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Wuyi International Pharmaceutical Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) and Rule 13.09(2) of the Listing Rules.

The board of directors (the “**Board**”) of the Company hereby informs shareholders of the Company and potential investors that, based on the information currently available to the Group, the Group is expected to record a significant decrease in consolidated net profit, or even a loss, for the six-month period ended 30 June 2014 as compared to the consolidated net profit recorded for the six-month period ended 30 June 2013. The Board attributes the decrease to the management’s estimate of a substantial increase in depreciation expense of the Group for the year as a result of the commencement of production of a new factory of the Group in Haixi Commercial Trading Development Zone, Jianyang, Fujian province, China after a New GMP certification was granted at the beginning of the year. It is expected that the unaudited depreciation expense for the year will exceed approximately RMB80,000,000 (the audited depreciation expense for the year ended 2013 was approximately RMB61,000,000). Accordingly, the gross profit and profit of the Group for the six-month period ended 30 June 2014 and the year ended 2014 are expected to decrease. However, the Board considers that

depreciation expense is a non-cash expense and has no impact on the liquidity, business, production and operation of the Group.

According to the announcement of the Company dated 30 May 2014 in relation to the "Termination of the management and operation agreement and purchase agreement", the Company originally intended to proceed with the continuing connected transactions contemplated under the management and operation agreement and purchase agreement with Platinum Group Metals Corporation ("PGMC") in order to expand its scope of principal business activities to mine management and ore trading of mining products with the aim of broadening the Group's income stream and maximizing returns to our shareholders by the establishment of new businesses that open up more business opportunities. The Board, however, resolved to discontinue relevant continuing connected transactions with PGMC and signed two relevant termination agreements. The Company therefore did not earn any income or profit from these two new businesses during the period.

Despite the decrease in profit or the loss likely to be recorded for the six-month period ended 30 June 2014, the Board considers that the Group's overall financial position is still healthy and the Board remains positive on the long term prospect of the Group.

As the Company is still in the process of finalizing its interim results for the six-month period ended 30 June 2014, the information contained in this announcement is a preliminary estimate by the management of the Group according to the latest management account of the Group and is not based on any figures or information that has been reviewed by the Company's independent auditor. Further details of the Group's performance will be disclosed when the Group's interim results for the six-month period ended 30 June 2014 are published.

Shareholders and potential investors are advised to exercise caution when dealing in the shares and securities of the Company.

By Order of the Board
Wuyi International Pharmaceutical Company Limited
Lin Ou Wen
Chairman and Chief Executive Officer

Hong Kong, 30 May 2014

As at the date of this announcement, the Board comprises 3 Executive Directors, namely Mr. Lin Ou Wen (Chairman), Mr. Lin Qing Ping and Mr. Xu Chao Hui, 2 Non-executive Directors, namely Mr. Tang Bin and Mr. John Yang Wang, and 3 Independent Non-executive Directors, namely, Mr. Liu Jun, Mr. Lam Yat Cheong and Mr. Du Jian.