

STRUCTURE AND CONDITIONS OF THE PLACING

PRICE PAYABLE ON SUBSCRIPTION

The Placing Price plus a 1% brokerage fee, a 0.003% SFC transaction levy and a 0.005% Stock Exchange trading fee make up total price payable in cash on subscription.

CONDITIONS OF THE PLACING

The Placing will be conditional upon, among others:

- (i) the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and the Shares to be issued as mentioned herein on GEM (including any Shares which may fall to be issued pursuant to the Placing or the Capitalisation Issue or upon the exercise of any options which may be granted under the Share Option Scheme); and
- (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including the waiver of any condition(s) by the Sole Bookrunner (for itself and on behalf of the Underwriters) and the Underwriting Agreement not being terminated in accordance with the terms of that agreement or otherwise),

in each case, on or before the dates and times specified in the Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times) or such other dates as the Sole Bookrunner (for itself and on behalf of the Underwriters) may agree but in any event not later than 17 November 2013, being the 30th day after the date of this prospectus.

If such conditions are not fulfilled or waived by the Sole Bookrunner (for itself and on behalf of the Underwriters) prior to the times and dates specified, the Placing will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the GEM Website and the Company's website at www.newraymedicine.com on the next Business Day following such lapse.

THE PLACING

280,000,000 Placing Shares are being offered pursuant to the Placing, representing in aggregate 35% of the enlarged issued share capital of the Company immediately after the Capitalisation Issue and completion of the Placing.

The Placing is fully underwritten by the Underwriters (subject to the terms and conditions of the Underwriting Agreement). Pursuant to the Placing, it is expected that the Underwriters, on behalf of the Company, will conditionally place 280,000,000 Placing Shares at the Placing Price to selected individual, professional and institutional investors in Hong Kong.

BASIS OF ALLOCATION

Allocation of the Placing Shares to selected individual, professional and institutional investors will be based on a number of factors, including the level and timing of demand and whether or not it is expected that the relevant investors are likely to purchase further Shares or hold or sell their Shares after the Listing. Such allocation is intended to result in a distribution of the Placing Shares which would lead to the establishment of a solid professional and

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institutional shareholder base to the benefit of the Company and the Shareholders as a whole. In particular, the Placing Shares will be allocated pursuant to Rule 11.23(8) of the GEM Listing Rules, that not more than 50% of the Shares in public hands at the time of Listing will be owned by the three largest public Shareholders.

No allocations will be permitted to nominee companies unless the name of the ultimate beneficiary is disclosed, without the prior written consent of the Stock Exchange. Details of the Placing will be announced in accordance with Rules 10.12(4), 16.08 and 16.16 of the GEM Listing Rules.

PLACING PRICE

The Placing Price is HK\$0.25 per Placing Share.

The net proceeds from the Placing are estimated to be approximately HK\$41.0 million, after deduction of the underwriting commission and other expenses relating to the Placing and the Listing payable by the Company.

An announcement of the level of indication of interest for the Placing is expected to be published on the GEM Website and the Company's website at www.newraymedicine.com on or about Thursday, 24 October 2013.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus on GEM and the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date, or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. Investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements as such arrangements will affect their rights and interests.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

All activities under CCASS are subject to the general Rules of CCASS and CCASS Operational Procedures in effect from time to time.

DEALINGS AND SETTLEMENT

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Friday, 25 October 2013.

Shares will be traded in board lots of 8,000 Shares each and are freely transferable.

The GEM stock code for the Shares is 8180.

The Company will not issue any temporary document of title.