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**北 斗 嘉 藥 業 股 份 有 限 公 司**  
**BAYTACARE PHARMACEUTICAL CO., LTD.\***  
*(a joint stock limited company established in the People's Republic of China)*  
**(Stock Code: 8197)**

**TERMINATION OF MAJOR TRANSACTON**

Reference is made to the announcement dated 9 July 2018 (the “**Announcement**”) of Baytacare Pharmaceutical Co., Ltd.\* (the “**Company**”) in relation to, among others, the acquisition of (a) 190 school buses; and (b) Beidou monitoring system. Capitalised terms used in this announcement have the same meanings as those defined in the Announcement, unless otherwise stated herein.

Pursuant to the Acquisition Agreement, Beijing Shan Shi (vendor of the school buses) was required to deliver 100 school buses to the Company, and Zhonghe Beidou (vendor of Beidou monitoring system) was required to provide Beidou monitoring system for the school buses, on or before 25 November 2018. As of the date of this announcement, the Company has yet to receive the abovementioned school buses equipped with Beidou monitoring system. As a result of the breach by Beijing Shan Shi and Zhonghe Beidou of their respective obligations under the Acquisition Agreement, the Company has terminated the Acquisition Agreement in accordance with the applicable laws and the terms of the Acquisition Agreement.

The Company is seeking legal advice in relation to its recourse against Beijing Shan Shi and Zhonghe Beidou including compensation for breach of their respective obligations under the Acquisition Agreement. In view of the termination of the Acquisition Agreement, no extraordinary general meeting will be convened and held by the Company for the Shareholders to consider and approve the Acquisition Agreement and the transactions contemplated thereunder, and no circular will be issued by the Company.

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 27 September 2018 and will remain suspended until further notice.

By Order of the Board  
**Baytacare Pharmaceutical Co., Ltd.\***  
*Executive Director*  
**Cui Bingyan**

Beijing, People's Republic of China, 27 November 2018

*As at the date of this announcement, the executive Directors are Cui Bingyan, Fang Yao and Guo Aiqun; the non-executive Directors are Shi Peng and Cao Yang; and the independent non-executive Directors are Hui Lai Yam, Gao Zhikai and Chen Youfang.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing Securities on GEM of The Stock Exchange of Hong Kong Limited 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 Announcements” page of the website of GEM at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of the publication and the Company’s website at [www.baytacare.com](http://www.baytacare.com) from the date of this announcement.*

*\* for identification purposes only*