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北 斗 嘉 藥 業 股 份 有 限 公 司
BAYTACARE PHARMACEUTICAL CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8197)

PROFIT WARNING

This announcement is made by Baytacare Pharmaceutical Co., Ltd.* (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company hereby informs the shareholders of the Company and potential investors that, based on the preliminary review of the management accounts of the Group for the year ended 31 December 2018, the Group is expected to record an increase in net loss for the year ended 31 December 2018 as compared with the net loss for the same period of the previous year. The expected loss for the year ended 31 December 2018 is mainly attributable to the following: (1) provision of litigation liabilities; (2) impairment loss of deposit paid for acquisitions of property, plant and equipment; and (3) impairment loss of other receivables.

The information contained in this announcement is only based on the preliminary review of the management accounts of the Group for the year ended 31 December 2018 by the Company, which have not been reviewed or audited by the Company’s auditors. As at the date of this announcement, the consolidated annual results of the Group for the year ended 31 December 2018 have yet been finalised and may be subject to adjustment after further internal review.

Trading in the shares of the Company has been suspended with effect from 9am on 27 September 2018, and will continue to be suspended until further notice.

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

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

Beijing, People's Republic of China, 15 April 2019

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 Director is 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 for at least 7 days from the date of the publication and the Company's website at www.baytacare.com from the date of this announcement.

* *for identification purposes only*