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New Ray Medicine
新銳醫藥

New Ray Medicine International Holding Limited
新銳醫藥國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 6108)

**DISCLOSEABLE TRANSACTION AND MAJOR TRANSACTION:
SUPPLEMENTAL AGREEMENT –
ACQUISITION OF AN AGGREGATE OF 26% OF
THE ISSUED SHARE CAPITAL OF THE TARGET**

Reference is made to the announcement of New Ray Medicine International Holding Limited (“**Company**”) dated 18 October 2016 (“**Announcement**”). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, pursuant to the SP Agreement, the Purchaser (a wholly-owned subsidiary of the Company) has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell (1) 900 Target Shares, representing 9% of the issued share capital of the Target at a cash consideration of HK\$43,687,800 under the First Tranche Acquisition; and (2) 3,000 Target Shares, representing 30% of the issued share capital of the Target at a cash consideration of HK\$145,626,000 under the Second Tranche Acquisition.

SUPPLEMENTAL AGREEMENT

On 30 November 2016, the Purchaser, the Vendor and the Company entered into the supplemental agreement to the SP Agreement (“**Supplemental Agreement**”), pursuant to which the parties agreed to amend and supplement the terms of the Second Tranche Acquisition as follows:

Second Tranche Sale Shares : 1,700 Target Shares, representing 17% of the issued share capital of the Target as at the date of the SP Agreement and the Second Tranche Completion Date, beneficially owned by the Vendor immediately prior to the Second Tranche Completion

Second Tranche Purchase Price : HK\$82,521,400

The aggregate Purchase Price for the First Tranche Acquisition and the Second Tranche Acquisition is HK\$126,209,200.

Save for the above changes, there are no material changes to the terms of the SP Agreement.

Completion of the First Tranche Acquisition took place on 31 October 2016. As at the date of this announcement, the Second Tranche Acquisition was not completed.

As at the date of this announcement, the Group holds 9% of the issued share capital of the Target. Immediately after the Second Tranche Completion, the Group will hold 26% of the issued share capital of the Target and the Target will be accounted for as an associate of the Group in its financial statements.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT

Taking into account the current financial position of the Group, the Group initiated the negotiation with the Vendor to reduce the Second Tranche Sale Shares from 3,000 Target Shares to 1,700 Target Shares and the Second Tranche Purchase Price to HK\$82,521,400 accordingly.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Agreement are on normal commercial terms and are fair and reasonable and the Supplemental Agreement is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of each of (i) the Second Tranche Acquisition (standing alone); and (ii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition as a whole exceeds 25% and all applicable percentage ratios (as defined under the Listing Rules) are less than 100%, each of (i) the Second Tranche Acquisition (standing alone); and (ii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition as a whole constitutes a major transaction of the Company under the Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

By Order of the Board
New Ray Medicine International Holding Limited
Lee Chik Yuet
Executive Director

Hong Kong, 30 November 2016

As of the date of this announcement, the executive Directors are Mr. Zhou Ling, Ms. Yang Fang and Mr. Lee Chik Yuet; and the independent non-executive Directors are Mr. Ho Hau Cheung, BBS, MH, Mr. Sung Hak Keung, Andy and Mr. Leung Chi Kin.