RICI HEALTHCARE HOLDINGS LIMITED

瑞慈醫療服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1526)

PROFIT WARNING

This announcement is made by Rici Healthcare Holdings Limited (the "**Company**" or "**we**", "**our**" or "**us**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") hereby informs shareholders and potential investors of the Company that based on the currently available financial information of the Company, the Company expects to record a significant increase in unaudited consolidated loss attributable to owners for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. Such significant increase in loss for the six months ended June 30, 2017 was primarily attributed to the following factors: (1) we typically incur a net loss in the first half of the calendar year for our medical examination business as corporate customers usually arrange medical examination for their employees in the second half of the year while our operating costs are more evenly distributed throughout the year with a significant proportion of such costs and expenses being fixed; and (2) we incurred more pre-opening expenses (such as rental expenses and staff costs) for implementing our expedited expansion plan to establish new medical examination centers and specialty hospitals in the first half of 2017. As of the date of this announcement, (i) we have three premium specialty hospitals under construction, including a premium obstetrics and gynecology hospital in Shanghai, a premium obstetrics and gynecology hospital in Changzhou, Jiangsu province and a premium gynecology and pediatrics hospital in Wuxi, Jiangsu province; and (ii) in the first half of 2017, we have expedited the development of our medical examination business with two medical examination centers commencing operation and 16 new medical examination centers in preparation. We expect the two specialty hospitals in Shanghai and Changzhou to commence operation in the fourth quarter of 2017 and the specialty hospital in Wuxi to commence operation in 2018.

The information set out in this announcement is only a preliminary assessment by the management of the Company based on the unaudited consolidated management accounts of the Company for the six months ended June 30, 2017 and other information currently available to the Company, which have not been reviewed or audited by the Company's auditors. Details of the Company's financial results and performance for the six months ended June 30, 2017 to be disclosed in the interim results announcement of the Company, which will be published in August 2017 in accordance with the Listing Rules, shall prevail.

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

By Order of the Board
Rici Healthcare Holdings Limited
Fang Yixin
Chairman

Hong Kong, July 21, 2017

As at the date of this announcement, Dr. Fang Yixin, Dr. Mei Hong, Mr. Lu Zhenyu and Dr. Wang Weiping are the executive Directors, Ms. Jiao Yan and Mr. Yao Qiyong are the non-executive Directors, and Dr. Wang Yong, Ms. Wong Sze Wing and Mr. Jiang Peixing are the independent non-executive Directors.

The Company would like to caution readers about the forward-looking nature of certain of the above statements. These forward-looking statements are subject to risks and uncertainties and assumptions, some of which are beyond the Company's control. In addition, these forward-looking statements reflect the Company's current views with respect to future events and are not a guarantee of future performance. The Company does not intend to update these forward-looking statements.