天大藥業有限公司
TIANDA PHARMACEUTICALS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00455)

PROFIT WARNING

This announcement is made by Tianda Pharmaceuticals Limited (the **Company**, together with its subsidiaries, the **Group**) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **Listing Rules**) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the **Board**) wishes to inform shareholders and potential investors of the Company that, based on a preliminary assessment of the unaudited management accounts of the Group for the six months ended 30 September 2017 (the **Current Period**), the Group expects to record a decline in the consolidated net profit attributable to owners of the Company for the Current Period as compared to the period for the six months ended 30 September 2016 (the **Last Corresponding Period**). However, looking ahead, the Company expects that the current year's financial results after excluding the one-off extraordinary gains would be maintained at a similar level as previous financial year.

The Board is of the view that the expected decline in the consolidated net profit attributable to owners of the Company for the Current Period is as a result combining the following favourable and unfavourable factors:

1) The net profit in pharmaceuticals and biotechnology business recorded a double-digit percentage growth as compared to the Last Corresponding Period;

2) A fair value gain on derecognition of investments in redeemable convertible preference shares was recognized in the Last Corresponding Period, but no such fair value gain was recognized during the Current Period; and

3) In contrast to exchange gain and fair value gain on derivative financial instruments recorded in the Last Corresponding Period, a net exchange loss incurred due to depreciation of HKD against Renminbi after offsetting fair value gain on derivative financial instruments during the Current Period.

The Company is still in the course of preparing the consolidated interim results of the Group for the Current Period. The information contained in this announcement is based only on the preliminary assessment by the Board upon its review of the unaudited management accounts of the Group for the Current Period and other information currently available to the Company which has not been audited by the Company's independent auditor. Shareholders and potential investors of the Company are advised to refer to the Company's interim results announcement for the details of the finalised consolidated interim results of the Group for the Current Period, which is expected to be announced on 22 November 2017 in compliance with the Listing Rules.

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

For and on behalf of the Board
Tianda Pharmaceuticals Limited
FANG Wen Quan
Chairman and Managing Director

Hong Kong, 20 November 2017

As at the date of this announcement, the executive Directors are Mr. FANG Wen Quan (Chairman and Managing Director) and Mr. LUI Man Sang; the non-executive Directors are Mr. SHEN Bo, Mr. FENG Quanming and Mr. SHI Shaobin; and the independent non-executive Directors are Mr. LAM Yat Fai, Mr. CHIU Sung Hong and Mr. CHIU Fan Wa.