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KAISA HEALTH GROUP HOLDINGS LIMITED
佳兆業健康集團控股有限公司

(Formerly known as Mega Medical Technology Limited美加醫學科技有限公司)
(Incorporated in Bermuda with limited liability)
(Stock Code: 876)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of 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 wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the information currently available to the Board, the Group is expected to record a profit for the year ended 31 December 2017 of no more than HK$5 million, comparing to the loss attributable to the owners of the Company for the year ended 31 December 2016 of approximately HK$15.2 million.

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

This announcement is made by Kaisa Health Group Holdings 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 under 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**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary assessment of the unaudited management accounts of the Group and information currently available to the Board, the Group is expected to record a profit for the year ended 31 December 2017 of no more than HK$5 million, comparing to the loss attributable to the owners of the Company for the year ended 31 December 2016 of approximately HK$15.2 million and is due to (i) turnaround from loss to profit attributable to owners of the Company from continuing operation which is the efforts of the management to increase the scale of operation (higher revenues as well as higher inputs to marketing and research activities) while partially offset by higher labor costs due to keen competition for skilled labor resources; and (ii) reduction in loss attributable to owners of the Company from discontinuing operation as the unprofitable business being disposed of or its scale reduced.

The information contained in this announcement is only based on a preliminary review by the Group's management on the preliminary management accounts of the Group and the information currently available, which have not been reviewed or audited by the auditors of the Company, and is subject to possible adjustments following further internal review. Furthermore, given the current meagre profits, any adjustments made may reverse it to losses or enhance it significantly.

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

By order of the Board
Kaisa Health Group Holdings Limited
Luo Jun
Chairman

Hong Kong, 7 February 2018

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Luo Jun (Chairman) and Mr. Wu Tianyu (Chief Executive Officer), one non-executive Director, namely Mr. Xu Hao, and three independent non-executive Directors, namely Dr. Liu Yanwen, Mr. Guo Peineng and Mr. Wang Wansong