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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)

PROFIT WARNING

This announcement is made by New Ray Medicine International Holding Limited (“**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules).

The board of directors (“**Directors**”) of the Company (“**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on a preliminary review and analysis of the latest available unaudited consolidated management accounts of the Company, it is expected that the Group will record a substantial increase in loss for the year ended 31 December 2017 (“**FY2017**”) as compared to a loss of approximately HK$20.5 million recorded by the Group for the year ended 31 December 2016. Such expected loss was primarily attributable to the impairment losses on the Group’s available-for-sale investments of approximately HK$67.1 million for FY2017, which were mostly related to the impairment losses of approximately HK$62.8 million on the investment in the shares of Town Health International Medical Group Limited (“**Town Health**”), the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3886). We expect such increase in loss for FY 2017 despite the increase in gross profit, the realised profit on disposal of the Group’s available-for-sale investments and increase in share of profit of associates of the Group for the year.

The Company is still in the process of finalising its consolidated financial statements for FY2017. The information contained in this announcement is only based on preliminary assessment made by the Board with reference to the unaudited consolidated management accounts and information currently available to the Board. As disclosed in the announcement of the Company dated 30 January 2018, Deloitte Touche Tohmatsu has resigned as the auditor of the Group with effect from 30 January 2018 and Moore Stephens CPA Limited has been appointed as the new auditor of the Group since then. Therefore, the information contained herein may be subject to change after further review or audit by the new auditor. Moreover, the fair value of the Group's investment in the shares of Town Health may be subject to further review and assessment after discussion with the Company's new auditor. As at 31 December 2017 and as at the date of this announcement, the Group held 120,000,000 shares of Town Health. Since 27 November 2017 and up to the date of this announcement, Town Health has been ordered to suspend trading in its shares on the Stock Exchange. The information contained herein may be subject to adjustment after further review by the Company's management.

Shareholders and potential investors are advised to refer to the details of the Group's financial results for FY2017, which are expected to be published by the end of March 2017.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

On behalf of the Board
New Ray Medicine International Holding Limited
Zhou Ling
Chairman & Executive Director

Hong Kong, 9 February 2018

As of the date of this announcement, the executive Directors are Mr. Zhou Ling and Ms. Yang Fang; and the independent non-executive Directors are Mr. Ho Hau Cheung, SBS, MH, Mr. Leung Chi Kin and Ms. Li Sin Ming, Ivy.