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
AND
CHANGE OF ADDRESS OF HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 2 May 2019 and 7 May 2019 (“**Announcements**”) in relation to, among other things, the trading of the second generation of Cephalosporins (二代頭孢產品) (“**Product**”) in the People’s Republic of China. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless defined otherwise.

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 loss for the six months ended 30 June 2019 (“**1H 2019**”) as compared with a net profit of the Group of approximately

HK$14.2 million for the six months ended 30 June 2018 ("**1H 2018**"). Such expected change was primarily attributable to the following factors:

1. the significant decrease in revenue and gross profit mainly attributable to sales decline of the Product. On 28 February 2019, the Group received a letter from Hangzhou Market Administration requesting the Group to stop selling the Product and to recall all batches of the Product on the market pursuant to the instruction of ZFDA after the identification of defective batches of the Product during the course of an unannounced inspection. The Group had stopped selling the Product and recalled all batches of the Product from customers accordingly. On 6 May 2019, Hangzhou Market Administration issued the Notice which specified that the Group had been discharged of the administrative measures for the suspension of the trading of the Product (1.0g) from the date of the Notice pursuant to the notice of ZFDA. Accordingly, the Group can start selling the Product (1.0g) again on the market. Please refer to the Announcements for further details. The manufacturer of the Product has recently notified the Group that a throughout examination and review of the manufacturing process of the Product ("**Improvement Project**") is currently being conducted in order to improve the Product's quality and to avoid any similar incident of defective production of the Product in the future. During the course of the Improvement Project, production of the Product is suspended. It is expected that the Improvement Project will be completed in the third quarter of 2019. The Group expects that the temporary suspension of the production of the Product will cause a negative impact on the Group's sales;

2. the absence of a net gain arising from the deemed disposal of interest in WinHealth International Company Limited ("**WinHealth International**") for 1H 2019 (1H 2018: approximately HK$7,754,000); and

3. the decrease in share of profit of associate for 1H 2019 as the Group's interest in WinHealth International was diluted upon the allotment and issue of new shares of WinHealth International to other parties in April 2018 and October 2018 respectively. Hence, the Group had ceased to have any significant influence over WinHealth International and the Group's investment in WinHealth International had no longer been classified as investment in associate since 11 October 2018.

The Company is still in the process of preparing and finalising its unaudited consolidated financial statements for 1H 2019. The information contained in this announcement is only based on preliminary assessment made by the Board with reference to the information currently available, which has not been reviewed or audited by the auditors of the Company and may be subject to change. Shareholders and potential investors are advised to refer to the details of the Group's financial results for 1H 2019, which are expected to be published in August 2019.

CHANGE OF ADDRESS OF HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

With effect from 11 July 2019, the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited (the "**Branch Share Registrar**"), will change its address from Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong to

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

The telephone and facsimile numbers of the Branch Share Registrar will remain unchanged.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares has been suspended with effect from 9:00 a.m. on 6 October 2017 by the Stock Exchange as directed by the SFC in accordance with Rule 8(1) Direction. Trading in the Shares will remain suspended until further notice.

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

On behalf of the Board
New Ray Medicine International Holding Limited
Liu Yang
Chairman & Executive Director

Hong Kong, 27 June 2019

As of the date of this announcement, the executive Directors are Mr. Liu Yang, Mr. Huo Zhihong and Ms. Wang Qiuqin; and the independent non-executive Directors are Mr. Leung Chi Kin, Ms. Li Sin Ming, Ivy and Mr. Sy Lai Yin, Sunny.