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CLARITY MEDICAL GROUP HOLDING LIMITED

清晰醫療集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1406)

PROFIT WARNING

This announcement is made by Clarity Medical Group Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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 hereby informs the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2023 and other information currently available to the Company, the Company is expected to record a loss before tax in a range of approximately HK\$4.9 million to HK\$5.4 million for the year ended 31 March 2023 as compared to the position of an adjusted profit before tax of HK\$37.2 million for the year ended 31 March 2022.

The adjusted profit before tax for the year ended 31 March 2022 represents profit before tax excluding the effects of the expenses related to the listing of the Company’s shares on the Main Board of the Stock Exchange.

The expected turnaround is primarily due to the expected decrease in revenue and increase in administrative expenses. Due to the economic downturn and increased competition from other industry players, the Group adopted a more competitive pricing strategy during the year ended 31 March 2023 which had affected the Group’s revenue.

On the other hand, the increase in administrative expenses was primarily due to the increase in consultancy fee and staff costs to support the Group's business expansion and to maintain the Group's competitiveness.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 March 2023. The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group and the information currently available for the time being, which have not been audited nor reviewed by the Company's auditors and have not been confirmed by the audit committee of the Company and is subject to adjustments. The financial results of the Group for the year ended 31 March 2023 will be set out in the annual results announcement of the Company which is expected to be published by the end of June 2023.

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

By order of the Board
CLARITY MEDICAL GROUP HOLDING LIMITED
WU Ting Yuk Anthony
Non-Executive Director and Chairman

Hong Kong, 18 May 2023

As at the date of this announcement, the Board comprises Mr. HUI Yung Chris, Dr. TSE Wai Ip and Mr. LO Tsz Hong as executive Directors, Mr. WU Ting Yuk Anthony as Chairman and non-executive Director, Mr. NG Roy and Ms. ZHAO Wei as non-executive Directors and Mr. LI Michael Hankin, Mr. MA Wai Hung Vincent and Professor LAU Wan Yee Joseph as independent non-executive Directors.