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同方康泰產業集團有限公司
Tongfang Kontafarma Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

POSITIVE PROFIT ALERT

This announcement is made by Tongfang Kontafarma Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2018 (the “**Period**”), the Group is expected to record a substantial increase of not less than 150% in the net profit as compared to that for the corresponding period in 2017.

The Board considers that such increase in the net profit was primarily attributable to (i) the increase in profit generated from the medical, pharmaceutical and health business of the Group which continues to grow stably during the first six months of 2018 as a result of the healthcare reforms in the People’s Republic of China; and (ii) the substantial increase in profit generated from the fitness business which was acquired in May 2017. The magnitude of increase in profit attributable to the fitness business in respect of the first six months of 2018 is higher than that as compared to the same period of 2017 in which the acquisition was only completed about one month before the end of the relevant reporting period.

The information in this announcement is based on a preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the Period. Such information has not been finalised, audited or reviewed by the Company’s independent auditor, and has not been confirmed by the audit committee of the Board. Shareholders and potential investors are advised to refer to the details in the results announcement of the Company for the Period, which is expected to be published on or around 31 August 2018. There may be changes or adjustments following review of the unaudited management accounts by the independent auditor of the Company.

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

By order of the Board of
Tongfang Kontafarma Holdings Limited
Huang Yu
Chairman

Hong Kong, 27 August 2018

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Huang Yu (Chairman), Mr. Jiang Chaowen (Chief Executive Officer) and Mr. Ng Qing Hai; and three independent non-executive Directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.