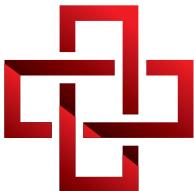


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China Wah Yan Healthcare Limited
中國華仁醫療有限公司

(Incorporated in the Hong Kong with limited liability)
(Stock Code: 648)

**UNAUDITED FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017**

UNAUDITED FINANCIAL INFORMATION

Reference is made to the announcement (the “Announcement”) of the Company dated 29 March 2018 relating to, among other things, the delay in the publication of the Group’s audited financial results for the year ended 31 December 2017. Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

Set out below is a summary of the unaudited consolidated financial statements of the Group for the year ended 31 December 2017 (the “2017 Annual Results”).

Consolidated Statement of Profit or Loss

For the year ended 31 December 2017

HK\$'000

Revenue	193,865
Cost of services and goods sold	<u>(133,822)</u>
 Gross profit	60,043
Other gains and losses	29,369
Selling and distribution expenses	(21,295)
Administrative expenses	(121,470)
Impairment loss on available-for-sale financial assets	(61,630)
Loss on disposal of available-for-sale financial assets	(22,132)
Impairment loss on other receivables	(1,000)
Change in fair values of assets stated at fair value	(55,483)
Gain on disposal of a subsidiary	63,940
Gain on disposal of associates	25,558
Share of results of associates	2,480
Finance costs	<u>(31,891)</u>
 Loss before tax	(133,511)
Income tax expenses	<u>(210)</u>
 Loss for the year	<u><u>(133,721)</u></u>

Consolidated Statement of Financial Position
As at 31 December 2017

HK\$ '000

ASSETS AND LIABILITIES

Non-current assets

Fixed assets	134,003
Goodwill and intangible assets	70,643
Investments in associates	18,017
Available-for-sale financial assets	<u>83,109</u>
	<u>305,772</u>

Current assets

Inventories	11,217
Trade receivables	3,477
Other receivables, prepayments and deposits	48,326
Tax recoverable	512
Available-for-sale financial assets	14,602
Financial assets at fair value through profit or loss	109,648
Cash and bank balances	<u>42,419</u>
	<u>230,201</u>

Current liabilities

Trade and other payables	53,237
Receipt in advance	60,501
Borrowings	(Note) <u>158,451</u>
	<u>272,189</u>

Net current liabilities

Total assets less current liabilities	<u>263,784</u>
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Consolidated Statement of Financial Position (Continued)

As at 31 December 2017

HK\$'000

Non-current liabilities

Other payable	5,900
Borrowings	92,908
Bonds payable	45,971
Deferred tax liabilities	414
	<hr/>
	145,193

Net assets

118,591

CAPITAL AND RESERVES

Share capital	3,030,660
Reserves	(2,885,965)
	<hr/>
Equity attributable to the owners of the Company	144,695
Non-controlling interests	(26,104)
	<hr/>
Total equity	<u>118,591</u>

Note: The entire balance of the borrowings as at 31 December 2017 was repayable ranging from 2019 to 2023 but was classified and presented as current liabilities in accordance with the Hong Kong Financial Reporting Standards.

The reasons by which the Company could not publish the audited 2017 Annual Results in accordance with Rule 13.49(1) of the Listing Rules were disclosed in the Announcement, and completion of the audit of the 2017 Annual Results will be subject to conclusion of the Investigation. Shareholders and potential investors of the Company should note that the 2017 Annual Results has not been audited by the auditors of the Company and might be subject to potential impairment and adjustments as a result of the audit and these adjustments (if any) might result in the audited consolidated results and positions of the Group being substantially deviated from the above. It is expected that the audited 2017 Annual Results will be published in or around the third quarter of 2018.

Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules in this regard.

GENERAL

Trading in the shares of the Company will continue to be suspended until further notice.

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

By order of the board of directors of
China Wah Yan Healthcare Limited

Chan Ka Chung
Chairman

Hong Kong, 26 June 2018

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. Chan Ka Chung, Mr. Cheung Wai Kwan and Mr. Wang Jianguo; and three independent non-executive directors, namely, Mr. Chan Yee Ping, Michael, Ms. Hu Xuezhen and Mr. Lam Chun Ho.