

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Rui Kang or China Wah Yan nor shall there be any sale, purchase or subscription for securities of Rui Kang or China Wah Yan in any jurisdiction in which such offer, solicitation or sale would be unlawful absent the filing of a registration statement or the availability of an applicable exemption from registration or other waiver. This announcement is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.*



**China Wah Yan Healthcare Limited**

**中國華仁醫療有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 648)**



**RUI KANG PHARMACEUTICAL GROUP  
INVESTMENTS LIMITED**

**銳康藥業集團投資有限公司**

*(Incorporated in the Cayman Islands and continued in  
Bermuda with limited liability)*

**(Stock Code: 8037)**

## **JOINT ANNOUNCEMENT**

- (1) REVISED VOLUNTARY CONDITIONAL SECURITIES EXCHANGE  
OFFERS BY CHINA WAH YAN  
TO ACQUIRE ALL THE ISSUED SHARES  
IN THE CAPITAL OF RUI KANG  
(OTHER THAN THOSE ALREADY OWNED BY CHINA WAH YAN AND  
PARTIES ACTING IN CONCERT WITH IT) AND  
TO CANCEL ALL OUTSTANDING SHARE OPTIONS OF RUI KANG;  
(2) VERY SUBSTANTIAL ACQUISITION BY CHINA WAH YAN;  
(3) SPECIFIC MANDATE TO ISSUE NEW CHINA WAH YAN SHARES;  
AND  
(4) RESUMPTION OF TRADING**

### **(1) INTRODUCTION**

Reference is made to (i) the 17 February Announcement; (ii) the announcement of China Wah Yan dated 9 March 2016 in relation to the delay in despatch of the Circular; and (iii) the 23 March Announcement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the 17 February Announcement.

On 5 February 2016, China Wah Yan proposed to the Rui Kang Board that China Wah Yan will make voluntary conditional securities exchange offers (i) to acquire all of the issued shares in the share capital of Rui Kang (other than those already owned by China Wah Yan and parties acting in concert with it); and (ii) to cancel all of the outstanding Options.

China Wah Yan Board hereby announces that China Wah Yan intends to revise the proposed terms to the Share Offer pursuant to the Revised Offers.

**(2) CONSIDERATION FOR THE REVISED OFFERS**

China Wah Yan will make the Revised Offers on the following basis:

**The Revised Share Offer:**

For 2 Consolidated Rui Kang Shares . . . . . 7 new China Wah Yan Shares

**The Option Offer:**

There will be no revision to the Option Offer under the Revised Offers.

Save for the above revision, all the proposed terms and conditions of the Offers remain unchanged and will apply to the Revised Offers.

**(3) VERY SUBSTANTIAL ACQUISITION AND ALLOTMENT AND ISSUE OF NEW CHINA WAH YAN SHARES**

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the acquisition of Rui Kang Shares by China Wah Yan pursuant to the Revised Offers is more than 100%, the Revised Offers constitute a very substantial acquisition for China Wah Yan under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and China Wah Yan Shareholders' approval requirements under Chapter 14 of the Listing Rules.

**(4) PARTIES ACTING IN CONCERT WITH CHINA WAH YAN**

The Rui Kang Share Consolidation became effective on 23 February 2016. As at the date of this announcement, China Wah Yan holds 128,906,250 Consolidated Rui Kang Shares, representing approximately 19.62% of the entire issued share capital of Rui Kang. Save as the above, none of China Wah Yan or parties acting in concert with it holds any Consolidated Rui Kang Shares.

**(5) SUSPENSION AND RESUMPTION**

At the request of China Wah Yan, trading in the China Wah Yan Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Wednesday, 6 April 2016 pending the release of this announcement. Application has been made by China Wah Yan for resumption of trading in the China Wah Yan Shares on the Stock Exchange with effect from 9:00 a.m. on Thursday, 7 April 2016.

At the request of Rui Kang, trading in the Rui Kang Shares on the Stock Exchange was halted with effect from 9:00 a.m. on Wednesday, 6 April 2016 pending the release of this announcement. Application has been made by Rui Kang for resumption of trading in the Rui Kang Shares on the Stock Exchange with effect from 9:00 a.m. on Thursday, 7 April 2016.

## **WARNING**

**The Revised Share Offer is subject to the satisfaction or waiver (where applicable) of the conditions of the Revised Offers, and the Option Offer is subject to and conditional upon the Revised Share Offer becoming or being declared unconditional in all respects. Accordingly, the Revised Offers may or may not become unconditional. China Wah Yan Shareholders, Rui Kang Shareholders, Optionholders and potential investors of China Wah Yan and Rui Kang should therefore exercise caution when dealing in the securities of China Wah Yan and Rui Kang. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## **INTRODUCTION**

Reference is made to (i) the 17 February Announcement; (ii) the announcement of China Wah Yan dated 9 March 2016 in relation to the delay in despatch of the Circular; and (iii) the 23 March Announcement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the 17 February Announcement.

On 5 February 2016, China Wah Yan proposed to the Rui Kang Board that China Wah Yan will make voluntary conditional securities exchange offers (i) to acquire all of the issued shares in the share capital of Rui Kang (other than those already owned by China Wah Yan and parties acting in concert with it); and (ii) to cancel all of the outstanding Options.

China Wah Yan Board hereby announces that China Wah Yan intends to revise the proposed terms to the Share Offer pursuant to the Revised Offers.

To the best of China Wah Yan's knowledge, information and belief having made all reasonable enquiries, each of Rui Kang, the Rui Kang Independent Shareholders and the Optionholders and their respective ultimate beneficial owners are third parties independent of China Wah Yan and its Connected Persons.

The Revised Offers will be made in compliance with the Takeovers Code, which is administered by the Executive.

The Rui Kang Share Consolidation became effective on 23 February 2016. As at the date of this announcement, there are 656,986,750 Consolidated Rui Kang Shares in issue and outstanding Options in respect of 6,288,295 Consolidated Rui Kang Shares.

## CONSIDERATION FOR THE REVISED OFFERS

China Wah Yan will make the Revised Offers on the following basis:

### The Revised Share Offer:

For 2 Consolidated Rui Kang Shares . . . . . 7 new China Wah Yan Shares

As at the date of this announcement, China Wah Yan and the parties acting in concert with it are beneficial owners of 128,906,250 Consolidated Rui Kang Shares, representing approximately 19.62% of the entire issued share capital of Rui Kang. Based on an exchange ratio of (i) 7 China Wah Yan Shares per 2 Consolidated Rui Kang Shares and 656,986,750 Consolidated Rui Kang Shares in issue and (ii) 1 China Wah Yan Share per 500 Options and 6,288,295 outstanding Options in issue as at the date of this announcement, and assuming there will be no change in the issued share capital of Rui Kang prior to the Closing Date, and no outstanding Option will be exercised prior to the Closing Date, the maximum number of new China Wah Yan Shares that may fall to be issued in connection with the Revised Share Offer and the Option Offer is 1,848,294,326. This represents approximately 70.7% of the 2,612,547,326 existing issued China Wah Yan Shares as at the date of this announcement, and approximately 41.4% of the enlarged issued share capital of China Wah Yan of 4,460,841,652 China Wah Yan Shares immediately following the issue of the aforesaid number of new China Wah Yan Shares.

On the basis of an ascribed value of HK\$0.336 per Consolidated Rui Kang Share under the Revised Share Offer (based on the closing price of each China Wah Yan Share of HK\$0.096, as quoted on the Stock Exchange on the Last Trading Day and the exchange ratio of 7 China Wah Yan Shares per 2 Consolidated Rui Kang Shares), the 656,986,750 Consolidated Rui Kang Shares in the issued share capital of Rui Kang (including the Consolidated Rui Kang Shares held by China Wah Yan and parties acting in concert with it) as at the Last Trading Day is valued at approximately HK\$220,747,548.

The exchange ratio of 7 China Wah Yan Shares per 2 Consolidated Rui Kang Shares was determined by China Wah Yan:

- (i) after taking into account prospects of the recent business development and profitability measures of Rui Kang (including the significant steps taken by the Rui Kang Group prior to 5 February 2016, being the date on which the Offers were made, to streamline its business portfolio through disposal of non-performing and non-core businesses and investment in businesses with profit making track record and growth potential);
- (ii) after taking into account of the decrease in audited consolidated net assets attributable to China Wah Yan Shareholders per China Wah Yan Share as at 31 December 2015 as compared to that as at 31 December 2014; and
- (iii) after taking into account of the increase in audited consolidated net assets attributable to Rui Kang Shareholders per Consolidated Rui Kang Share as at 31 December 2015 as compared to that as at 31 December 2014.

Save as disclosed above, China Wah Yan and parties acting in concert with it do not hold or have control or direction over any other Consolidated Rui Kang Shares or hold any convertible securities, warrants or options in respect of any Consolidated Rui Kang Shares.

### **The Option Offer:**

As the exercise price for the outstanding Options is HK\$1.2674, the Options are thus currently “out of the money” and therefore, there will be no revision to the Option Offer under the Revised Offers.

As at the date of this announcement, none of the Rui Kang Independent Shareholders or Optionholders has undertaken or notified China Wah Yan of an intention to accept or reject the Revised Offers.

Save as disclosed above, Rui Kang has no other outstanding Consolidated Rui Kang Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Consolidated Rui Kang Shares or other types of securities in Rui Kang as at the date of this announcement.

### **Comparisons of value**

The Rui Kang Share Consolidation became effective on 23 February 2016, which was after the Last Trading Day. Assuming the Rui Kang Share Consolidation became effective as at the Last Trading Day, the ascribed value of HK\$0.336 per each Consolidated Rui Kang Share as at the Last Trading Day as adjusted by the Rui Kang Share Consolidation (equivalent to the closing price of China Wah Yan Shares of HK\$0.096 as quoted on the Stock Exchange on the Last Trading Day multiplied by 7 and divided by 2 for each Consolidated Rui Kang Share) represents:

- a premium of approximately 68.00% to the adjusted closing price of HK\$0.200 per Consolidated Rui Kang Share as quoted on the Stock Exchange on 5 February 2016, being the Last Trading Day (equivalent to the closing price of Pre-Consolidated Rui Kang Share at HK\$0.100 as quoted on the Stock Exchange on the Last Trading Day, multiplied by 2);
- a premium of approximately 68.00% to the adjusted average closing price of approximately HK\$0.200 per Consolidated Rui Kang Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day (equivalent to the average closing price of approximately HK\$0.100 per Pre-Consolidated Rui Kang Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day, multiplied by 2);
- a premium of approximately 64.71% to the adjusted average closing price of approximately HK\$0.204 per Consolidated Rui Kang Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day (equivalent to the average closing price of approximately HK\$0.102 per Pre-Consolidated Rui Kang Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day, multiplied by 2);

- a premium of approximately 71.43% to the adjusted average closing price of approximately HK\$0.196 per Consolidated Rui Kang Share as quoted on the Stock Exchange for the 20 consecutive trading days immediately prior to and including the Last Trading Day (equivalent to the average closing price of approximately HK\$0.098 per Pre-Consolidated Rui Kang Share as quoted on the Stock Exchange for the 20 consecutive trading days immediately prior to and including the Last Trading Day, multiplied by 2);
- a premium of approximately 64.71% to the adjusted average closing price of approximately HK\$0.204 per Consolidated Rui Kang Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day (equivalent to the average closing price of approximately HK\$0.102 per Pre-Consolidated Rui Kang Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day, multiplied by 2); and
- a discount of approximately 31.29% to the audited consolidated net assets per Consolidated Rui Kang Share of approximately HK\$0.489 as at 31 December 2015 (being the date to which the latest audited consolidated annual results of the Rui Kang Group were made up), calculated based on the Rui Kang Group's audited consolidated net assets attributable to its shareholders of approximately HK\$321.06 million as at 31 December 2015 and 656,986,750 Consolidated Rui Kang Shares in issue as at the date of this announcement.

Assuming the Rui Kang Share Consolidation became effective as at the Last Trading Day, the implied issue price of HK\$0.057 per each new China Wah Yan Share (equivalent to the adjusted closing price of HK\$0.2 per Consolidated Rui Kang Share as quoted on the Stock Exchange on the Last Trading Day (equivalent to the closing price of Pre-Consolidated Rui Kang Share of HK\$0.1 as quoted on the Stock Exchange on the Last Trading Day multiplied by 2) multiplied by 2 and divided by 7 for each new China Wah Yan Share) represents:

- a discount of approximately 40.63% to the closing price of China Wah Yan Share of HK\$0.096, as quoted on the Stock Exchange on 5 February 2016, being the Last Trading Day;
- a discount of approximately 40.00% to the average closing price of approximately HK\$0.095 per China Wah Yan Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 39.36% to the average closing price of approximately HK\$0.094 per China Wah Yan Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 40.63% to the average closing price of approximately HK\$0.096 per China Wah Yan Share as quoted on the Stock Exchange for the 20 consecutive trading days immediately prior to and including the Last Trading Day;



- a discount of approximately 45.19% to the average closing price of approximately HK\$0.104 per China Wah Yan Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- a discount of approximately 60.69% to the audited consolidated net assets per China Wah Yan Share of approximately HK\$0.145 as at 31 December 2015 (being the date to which the latest audited consolidated annual results of China Wah Yan Group were made up), calculated based on China Wah Yan Group's audited consolidated net assets attributable to its shareholders of approximately HK\$378.19 million as at 31 December 2015 and 2,612,547,326 China Wah Yan Shares in issue as at the date of this announcement.

## **VALUE OF THE REVISED OFFERS**

As at the date of this announcement, there are 656,986,750 Consolidated Rui Kang Shares in issue and China Wah Yan and the parties acting in concert with it hold 128,906,250 Consolidated Rui Kang Shares. On the basis of the ascribed value of HK\$0.336 per Consolidated Rui Kang Share and assuming that (i) there will be no change in the number of Consolidated Rui Kang Shares in issue and no outstanding Options are exercised prior to the Closing Date and (ii) all Rui Kang Independent Shareholders accept the Revised Share Offer, the Revised Share Offer is valued at HK\$177,435,048.

As at the date of this announcement, there are a total of 6,288,295 Options outstanding entitling the Optionholders to subscribe for, pursuant to the Share Option Scheme, 6,288,295 Consolidated Rui Kang Shares at an exercise price of HK\$1.2674. Assuming none of the outstanding Options are exercised prior to the Closing Date, based on the closing price of China Wah Yan Shares of HK\$0.096 as quoted on the Stock Exchange on the Last Trading Day, the Option Offer is valued at approximately HK\$1,207.

Based on the above and assuming that no Options are exercised prior to the Closing Date, the Revised Offers are valued at HK\$177,436,255 in aggregate.

**Save for the above revision, all the proposed terms and conditions of the Offers remain unchanged and will apply to the Revised Offers.**

**WARNING: The Revised Share Offer is subject to the satisfaction or waiver (where applicable) of the conditions of the Revised Offers, and the Option Offer is subject to and conditional upon the Revised Share Offer becoming or being declared unconditional in all respects. Accordingly, the Revised Offers may or may not become unconditional. China Wah Yan Shareholders, Rui Kang Shareholders, Optionholders and potential investors of China Wah Yan and Rui Kang should therefore exercise caution when dealing in the securities of China Wah Yan and Rui Kang. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## **REASONS FOR THE REVISED OFFERS**

In view of (i) the decrease in the audited consolidated net assets attributable to China Wah Yan Shareholders per China Wah Yan Share from HK\$0.17 as at 31 December 2014 to HK\$0.14 as at 31 December 2015 as disclosed in China Wah Yan's 2015 final results announcement dated 15 March 2016; and (ii) the increase in the audited consolidated net assets attributable to Rui Kang Shareholders per Rui Kang Share from HK\$0.26 as at 31 December 2014 to HK\$0.49 as at 31 December 2015 as disclosed in Rui Kang's 2015 final results announcement dated 22 March 2016, the China Wah Yan Directors are of the view that the Revised Offers could provide enhanced incentive for the Rui Kang Independent Shareholders to tender their acceptances for the Revised Share Offer.

The China Wah Yan Directors confirm that the terms and conditions of the Revised Offers and the transactions contemplated thereunder are fair and reasonable and negotiated on an arm's length basis upon normal commercial terms. Having considered the terms and conditions of the Revised Offers and the benefits that are expected to accrue to China Wah Yan as a result of the Revised Offers and the transactions contemplated thereunder, the China Wah Yan Directors further confirm that the Revised Offers and the transactions contemplated thereunder are in the interests of China Wah Yan and its shareholders as a whole.

For details on China Wah Yan's intentions in relation to Rui Kang and the Enlarged Group following completion of the Offers, please refer to the 17 February Announcement.

## **INFORMATION ON CHINA WAH YAN**

China Wah Yan Group is principally engaged in the (i) healthcare and well-being business, including the operation of a chain of sports and healthcare clubhouses under the brand name of "Megafit" in the PRC, a chain of medical centres specialising in the diagnosis and treatment of tumours in the PRC and a chain of optical products and eye-care services retail shops under the brand name of "Hong Kong Optical" in Hong Kong, as well as (ii) asset management business (including investment in financial/fixed/distressed assets and loan financing).

## **SHAREHOLDING STRUCTURE OF CHINA WAH YAN**

As at the date of this announcement, there are 2,612,547,326 China Wah Yan Shares in issue. Save and except for the outstanding share options granted by China Wah Yan to subscribe for 192,259,481 China Wah Yan Shares, the outstanding warrants granted by China Wah Yan to subscribe for 117,065,556 China Wah Yan Shares and the convertible notes with aggregate principal amounts of HK\$2 million which are convertible into 4,418,913 China Wah Yan Shares, there are no outstanding options, derivatives, warrants or other securities in issue convertible or exchangeable into China Wah Yan Shares.



Assuming all Rui Kang Independent Shareholders and Optionholders validly elect to accept the Revised Share Offer and the Option Offer, respectively and based on the 656,986,750 Consolidated Rui Kang Shares and 6,288,295 Options in issue at the date of this announcement, a maximum of 1,848,294,326 new China Wah Yan Shares may fall to be issued. Assuming that there will be no change in the number of issued China Wah Yan Shares since the date of this announcement and up to the Closing Date, the shareholding structure of China Wah Yan, both before and after the completion of the Revised Offers, are as follows:

	<b>Prior to completion of the Revised Offers</b>		<b>Immediately after completion of the Revised Offers (assuming all Rui Kang Shareholders and Optionholders validly elect to accept the Revised Share Offer and the Option Offer, respectively)</b>	
	<i>No. of China Wah Yan Shares</i>	<i>%</i>	<i>No. of China Wah Yan Shares</i>	<i>%</i>
Mr. Chan Ka Chung (director)	101,250,000	3.88	101,250,000	2.27
Public Shareholders	<u>2,511,297,326</u>	<u>96.12</u>	<u>4,359,591,652</u>	<u>97.73</u>
Total	<u><u>2,612,547,326</u></u>	<u><u>100.00</u></u>	<u><u>4,460,841,652</u></u>	<u><u>100.00</u></u>

## INFORMATION ON RUI KANG

The Rui Kang Group is principally engaged in (i) manufacture, research and development, sale and distribution of health related and pharmaceutical products in the PRC and Hong Kong; (ii) provision of medical laboratory testing services and health check services in Hong Kong; and (iii) trading of securities in Hong Kong.

Set out below is a summary of the audited consolidated financial results of Rui Kang Group for the fifteen months ended 31 December 2013, the year ended 31 December 2014 and the year ended 31 December 2015, prepared in accordance with the relevant accounting principles and financial regulations applicable to the Hong Kong Financial Reporting Standards:

	<b>For the fifteen months ended 31 December 2013</b>	<b>For the year ended 31 December 2014</b>	<b>For the year ended 31 December 2015</b>
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Turnover from continuing operations	106,625	140,385	34,127
Loss before tax and extraordinary items	(74,630)	(82,333)	(60,040)
Loss after tax and extraordinary items	(75,289)	(82,946)	(59,651)
Profit/(loss) from discontinued operation	28,008	—	(8,109)
Loss for the period/year	(47,281)	(82,946)	(67,760)
Net assets (including non-controlling interests)	128,191	197,913	342,738

*Note: The corresponding figures for the year ended 31 December 2014 were subsequently restated to conform the presentation of discontinued operation during the year ended 31 December 2015.*

## **SHAREHOLDING STRUCTURE OF RUI KANG**

Save for the Rui Kang Share Consolidation which became effective on 23 February 2016, there has been no changes to the shareholding structure of Rui Kang since the 17 February Announcement. Please refer to the section headed “Shareholding Structure of Rui Kang” in the 17 February Announcement for further details on the shareholding structure of Rui Kang as at the date of this announcement and immediately after completion of the Revised Offers.

## **VERY SUBSTANTIAL ACQUISITION AND ALLOTMENT AND ISSUE OF NEW CHINA WAH YAN SHARES**

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the acquisition of Rui Kang Shares by China Wah Yan pursuant to the Revised Offers is more than 100%, the Revised Offers still constitute a very substantial acquisition for China Wah Yan under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and China Wah Yan Shareholders’ approval requirements under Chapter 14 of the Listing Rules. No China Wah Yan Shareholders will be required to abstain from voting at China Wah Yan EGM on the resolution relating to the Very Substantial Acquisition.

The resolutions relating to the Very Substantial Acquisition will be conducted by way of a poll.

## **COMPOSITE DOCUMENT**

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing the terms of the Revised Offers (accompanied by the acceptance and transfer forms) shall be despatched to the Rui Kang Shareholders and the Optionholders within 35 days after the 17 February Announcement, or such later date as may be permitted by the Takeovers Code and approved by the Executive. As stated in the 23 March Announcement, an application has been made for, and the Executive has granted consent for, an extension of time for the despatch of the Composite Document to a date not later than 8 April 2016.

## **CHINA WAH YAN EGM**

China Wah Yan will convene an extraordinary general meeting (China Wah Yan EGM) to consider and, if thought fit, pass the requisite resolution(s) to approve the Revised Offers and the allotment and issue of the new China Wah Yan Shares as consideration under the Revised Offers and all the transactions and matters contemplated or required in connection with the Revised Offers including but not limited to the Very Substantial Acquisition. A circular containing, *inter alia*, further details of the Revised Offers which constitutes a Very Substantial Acquisition together with a notice of China Wah Yan EGM, will be despatched to the China Wah Yan Shareholders in accordance with the requirements of the Takeovers Code and the Listing Rules and on or before 8 April 2016.

## **FURTHER AGREEMENTS OR ARRANGEMENTS**

China Wah Yan confirms that all disclosures under the section headed “Further Agreements or Arrangements” in the 17 February Announcement remain unchanged as at the date of this announcement.

## **PARTIES ACTING IN CONCERT WITH CHINA WAH YAN**

As at the date of this announcement, China Wah Yan holds 128,906,250 Consolidated Rui Kang Shares, representing approximately 19.62% of the entire issued share capital of Rui Kang. Save as the above, none of China Wah Yan or parties acting in concert with it holds any Rui Kang Shares.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the request of China Wah Yan, trading in the China Wah Yan Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Wednesday, 6 April 2016 pending the release of this announcement. Application has been made by China Wah Yan for resumption of trading in the China Wah Yan Shares on the Stock Exchange with effect from 9:00 a.m. on Thursday, 7 April 2016.

At the request of Rui Kang, trading in the Rui Kang Shares on the Stock Exchange was halted with effect from 9:00 a.m. on Wednesday, 6 April 2016 pending the release of this announcement. Application has been made by Rui Kang for resumption of trading in the Rui Kang Shares on the Stock Exchange with effect from 9:00 a.m. on Thursday, 7 April 2016.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“17 February Announcement”	the joint announcement of China Wah Yan and Rui Kang dated 17 February 2016 in relation to the Offers
“23 March Announcement”	the joint announcement of China Wah Yan and Rui Kang dated 23 March 2016 in relation to the delay in despatch of the Circular and the Composite Document
“China Wah Yan Board”	board of directors of China Wah Yan
“China Wah Yan Directors”	directors of China Wah Yan
“Revised Offers”	the Revised Share Offer and the Option Offer
“Revised Share Offer”	the revised voluntary conditional securities exchange offer to be made by China Wah Yan to acquire all of the issued shares in the share capital of Rui Kang (other than those already owned by China Wah Yan and parties acting in concert with it) in accordance with the terms and conditions set out in this announcement

“Rui Kang Board” board of directors of Rui Kang

“Rui Kang  
Directors” directors of Rui Kang

By order of the board of directors of  
**China Wah Yan Healthcare Limited**  
**CHAN Ka Chung**  
*Chairman*

By order of the board of directors of  
**Rui Kang Pharmaceutical Group  
Investments Limited**  
**LEUNG Pak Hou Anson**  
*Executive Director*

Hong Kong, 6 April 2016

*The directors of China Wah Yan jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to Rui Kang and the Rui Kang Group, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by Rui Kang and the Rui Kang Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

*The directors of Rui Kang jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to China Wah Yan and parties acting in concert with it, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by China Wah Yan and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the board of directors of China Wah Yan 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.*

*As of the date of this announcement, the board of directors of Rui Kang comprises three executive directors, namely Mr. CHEUNG Hung (Chairman), Mr. LEUNG Pak Hou Anson and Ms. CHEN Miaoping (Chief Executive Officer); and three independent non-executive directors, namely Mr. YUEN Chun Fai, Mr. LEUNG Ka Fai and Mr. HO Fung Shan Bob.*