

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.



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)

**DISCLOSEABLE TRANSACTION —
PARTICIPATION IN RIGHTS ISSUE OF
IR RESOURCES**

THE IR RESOURCES RIGHTS ISSUE

The Company announces that on 18 May 2016, the Group has accepted its full entitlement of 7,686,989,670 IR Resources Rights Shares and lodged the relevant provisional allotment letter to the share registrar of IR Resources. Upon completion of the IR Resources Rights Issue, the Company will maintain its existing shareholding of 29.30% in the issued share capital of IR Resources as the single largest shareholder of IR Resources.

Since an applicable percentage ratio (as defined under the Listing Rules) in respect of the IR Resources Rights Issue on part of the Company is greater than 5% but less than 25%, the Company's participation in the IR Resources Rights Issue will constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

Reference is made to the announcement (the "Announcement") of China Wah Yan Healthcare Limited (the "Company") dated 24 February 2016 relating to the Company's undertaking to subscribe for the IR Resources Rights Shares under the IR Resources Rights Issue. Unless otherwise stated herein, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

THE IR RESOURCES RIGHTS ISSUE

As at the record date of the IR Resources Rights Issue, the Group held 768,698,967 IR Resources Shares and is entitled to 7,686,989,670 IR Resources Rights Shares.

The Group considers it beneficial to subscribe for all of the 7,686,989,670 IR Resources Rights Shares under its full entitlement and maintain its existing shareholding in IR Resources. Details of the reasons and benefits for the Group's participation in the IR Resources Rights Issue were disclosed in the Announcement. Accordingly, on 18 May 2016, the Group lodged the relevant provisional allotment letter for the subscription of 7,686,989,670 IR Resources Rights Shares for an amount of HK\$76.87 million.

LISTING RULES IMPLICATION

Since an applicable percentage ratio (as defined under the Listing Rules) in respect of the IR Resources Rights Issue on part of the Company is greater than 5% but less than 25%, the Company's participation in the IR Resources Rights Issue will constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

GENERAL

The Group is principally engaged in (i) the health management business; (ii) the medical and well-being business; and (iii) the asset management business.

The IR Resources Group is principally engaged in (i) the forestry and agricultural business; and (ii) the resources and logistics business. The IR Resources Group recorded (i) a consolidated net loss before and after tax of HK\$41.7 million for the year ended 31 December 2014; (ii) a consolidated net loss before and after tax of HK\$33.4 million and HK\$35.1 million respectively for the year ended 31 December 2015; and (iii) a consolidated net asset value of HK\$178.8 million as at 31 December 2015. As at the date of this announcement, the Group is interested in 29.3% equity interest of IR Resources.

By Order of the Board of
China Wah Yan Healthcare Limited
Chan Ka Chung
Chairman

Hong Kong, 18 May 2016

As at the date of this announcement, the Board 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, Mr. Lam Chun Ho and Ms. Hu Xuezheng.