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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
PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE AND
RULE 13.09 OF THE LISTING RULES AND
RULE 17.10 OF THE GEM LISTING RULES AND
INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF
THE SECURITIES AND FUTURES ORDINANCE**

This joint announcement is made by:

- (i) China Wah Yan Healthcare Limited (“Wah Yan Healthcare”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and
- (ii) Rui Kang Pharmaceutical Group Investments Limited (“Rui Kang Pharmaceutical”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”), the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (“Takeovers Code”).

The board of directors of Rui Kang Pharmaceutical has been informed by Wah Yan Healthcare, being its controlling shareholder, that Wah Yan Healthcare has been approached by and is in discussions with a potential offeror (the “Potential Offeror”) in respect of a possible transaction involving an acquisition by the Potential Offeror of all the ordinary shares in Rui Kang Pharmaceutical beneficially owned by Wah Yan Healthcare (the “Potential Disposal”). As at the date of this joint announcement, Wah Yan Healthcare owns 406,023,891 ordinary shares of HK\$0.10 each in the share capital of Rui Kang Pharmaceutical (the “Rui Kang Pharmaceutical Shares”), representing approximately 51.50% of the issued share capital of Rui Kang Pharmaceutical.

As advised by Wah Yan Healthcare, as at the date of this joint announcement, the discussion on the Potential Disposal is still on-going and no definitive agreement has been entered into in relation to the Potential Disposal.

Each of the Potential Offeror and its ultimate beneficial owner is a connected person (as defined under the Listing Rules) of Wah Yan Healthcare. If the Potential Disposal materialises, it may constitute a notifiable and connected transaction of Wah Yan Healthcare under Chapter 14 and Chapter 14A of the Listing Rules. Further announcement(s) in relation to the Potential Disposal will be made by Wah Yan Healthcare as and when appropriate in compliance with the Listing Rules.

Should the Potential Disposal materialise, the Potential Offeror would be required to make a mandatory general cash offer to acquire all the issued Rui Kang Pharmaceutical Shares (other than those acquired or agreed to be acquired by the Potential Offeror or parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code. In accordance with Rule 3.7 of the Takeovers Code, monthly announcement(s) will be made until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by Rui Kang Pharmaceutical as and when appropriate or required in accordance with the relevant requirements of the Takeovers Code and the GEM Listing Rules.

Shareholders and potential investors of Wah Yan Healthcare and Rui Kang Pharmaceutical should be aware that there is no assurance that any transaction mentioned in this joint announcement will materialise or eventually be consummated and the discussions may or may not lead to the making of an offer (as defined in the Takeovers Code) for the Rui Kang Pharmaceutical Shares. Shareholders and potential investors of Wah Yan Healthcare and Rui Kang Pharmaceutical are advised to exercise caution when dealing in the Rui Kang Pharmaceutical Shares and/or other securities of Rui Kang Pharmaceutical as well as shares and/or other securities of Wah Yan Healthcare. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisors.

WYH VOLUNTARY CONDITIONAL SECURITIES EXCHANGE OFFERS

Reference is made to the joint announcements issued by Wah Yan Healthcare and Wisdom Eighteen Limited (“Wisdom Eighteen”), a wholly-owned subsidiary of Wah Yan Healthcare, dated 8 December 2016 and 16 March 2017, respectively, and the offer document (“Offer Document”) dated 22 May 2017 jointly issued by Wah Yan Healthcare and Wisdom Eighteen in relation to the voluntary conditional securities exchange offers (“WYH Voluntary Conditional Securities Exchange Offers”) by Huatai Financial Holdings (Hong Kong) Limited and Nuada Limited on behalf of Wisdom Eighteen to acquire all of the issued shares in the share capital of Xinhua News Media Holdings Limited (whose issued shares are listed on The Stock Exchange of Hong Kong Limited under Stock Code: 309) (“Xinhua News Media”) and to cancel all of the outstanding share options of Xinhua News Media. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Offer Document.

The Xinhua News Media Shareholders, the Xinhua News Media Optionholders and potential investors of Xinhua News Media should be aware that the Share Offer is subject to the satisfaction or waiver (where applicable) of the conditions of the Share Offer, and the Option Offer is subject to and conditional upon the Share Offer becoming or being declared unconditional in all respects. Accordingly, the Offers may or may not become unconditional.

Further, the Xinhua News Media Shareholders, the Xinhua News Media Optionholders and potential investors of Xinhua News Media should be aware that there is no assurance that the Potential Disposal will materialise or eventually be consummated and the discussions may or may not lead to the making of an offer (as defined in the Takeovers Code) for the Rui Kang Pharmaceutical Shares.

The Xinhua News Media Shareholders, the Xinhua News Media Optionholders and potential investors of Xinhua News Media should therefore exercise caution when dealing in the Xinhua News Media Shares, exercising the Xinhua News Media Options or other rights in respect of any of them. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

DISCLOSURE OF DEALINGS

For the purpose of the Takeovers Code, the offer period in respect of Rui Kang Pharmaceutical Shares commences on the date of this joint announcement, being 5 June 2017.

In accordance with Rule 3.8 of the Takeovers Code, the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of Rui Kang Pharmaceutical comprise 788,366,750 Rui Kang Pharmaceutical Shares as at the date of this joint announcement. Save for the aforesaid, Rui Kang Pharmaceutical has no other relevant securities as at the date hereof.

Associates (as defined in the Takeovers Code and including, among others, persons who own or control 5% or more of the relevant securities) of Rui Kang Pharmaceutical and the Potential Offeror are hereby reminded to disclose their dealings in any securities of Rui Kang Pharmaceutical under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules.

However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries.

Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

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, 5 June 2017

As at the date of this joint announcement, the board of directors of Wah Yan Healthcare 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.

The directors of Wah Yan Healthcare jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to Rui Kang Pharmaceutical) and confirm, having made all reasonable inquiries,

that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by Rui Kang Pharmaceutical) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the board of directors of Rui Kang Pharmaceutical comprises three executive directors, namely Mr. Chan Ka Chung (Chairman), Mr. Leung Pak Hou Anson (Chief Executive Officer) and Mr. Cheung Wai Kwan; one non-executive director, namely Mr. Gao Yongping; and three independent non-executive directors, namely Mr. Ho Fung Shan Bob, Mr. Leung Ka Fai and Mr. Yuen Chun Fai.

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

This joint announcement will remain on the “Latest Company Announcements” page of the website of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited at www.hkgem.com for at least 7 days from the date of its publication and on the website of Rui Kang Pharmaceutical at www.ruikang.com.hk.