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碧生源控股有限公司

BESUNYEN HOLDINGS COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 926)

PROFIT WARNING

This announcement is made by Besunyen Holdings Company Limited (the “**Company**”, 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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (“**SFO**”) (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby inform the shareholders of the Company (the “**Shareholder**”) and potential investors that, it is estimated that the Group may record a net loss attributable to the shareholders of the Company of approximately RMB80 million to RMB100 million for the year ending 31 December 2018. This is mainly attributable to: (i) the Group’s adjustment of its management policy for offline distributors/sub-distributors and the incentive policy for its sales staff this year as disclosed in the announcement of the Company dated 6 May 2018, which helped lessen disruptive market behaviours, strengthened channel management and enhanced the good market operation order for end-sales at pharmacies but led to a decrease in the revenue of the Group from offline products this year; and (ii) the estimated increase of approximately 65% of the research and development investment by the Group as compared to the corresponding period of last year, which is mainly attributed to the research, development and reserve of new products by Zhongshan Wanhan Pharmacy Co., Ltd. (中山萬漢製藥有限公司) and Zhongshan Wanyuan New Medicine Research and Development Co., Ltd. (中山萬遠新藥研發有限公司), the indirect wholly-owned subsidiaries of the Company.

As year 2018 has not yet ended, the annual results of the Group for the year ending 31 December 2018 have not been finalised. The information contained in this announcement represents the preliminary estimate by the management of the Company with reference to the consolidated management accounts of the Group, which has not been audited or reviewed by the auditor of the Company. Specific and accurate financial information will be disclosed in the annual results announcement of the Company for the year ending 31 December 2018, which will be published by the Company in March 2019.

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

By order of the Board
Besunyen Holdings Company Limited
Zhao Yihong
Chairman and Chief Executive Officer

Hong Kong, 26 December 2018

As at the date of this announcement, the executive directors of the Company are Mr. Zhao Yihong (Chairman and Chief Executive Officer) and Ms. Gao Yan (Vice Chairman); the non-executive director of the Company is Mr. Zhuo Fumin; and the independent non-executive directors of the Company are Mr. Huang Jingsheng, Mr. Ren Guangming and Mr. He Yuanping.