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## **MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED**

**銘源醫療發展有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 0233)**

### **ANNOUNCEMENT**

#### **RECOVERY OF OTHER RECEIVABLE PREVIOUSLY WRITTEN OFF**

Reference is made to the announcement of results for the year ended 31 December 2013 and the 2013 annual report (collectively “the Results”) published by Mingyuan Medicare Development Company Limited (the “Company”, together with its subsidiaries, the “Group”) on 31 March 2014 and 30 April 2014 respectively. The Group reported a significant loss of HK\$507.20 million in the Results due to written off of other receivable. During the year ended 31 December 2013, the Group deposited RMB396 million (equivalent to approximately HK\$507.20 million) (the “Deposit”) to an unrelated entity (the “Entity”) incorporated in the PRC for certain treasury arrangement. The amount is interest-free, unsecured and repayable on demand. As at 31 December 2013, the board of directors of the Company (the “Board”) was still in negotiation with the Entity in relation to the repayment of the Deposit. Despite the Board was of the view that the Deposit can be recoverable but since no agreement has been reached in relation to the date of repayment, the entire amount of the Deposit was written off and hence a loss of HK\$507.20 million was resulted.

The Board is pleased to provide following additional information about the status of recovery of the Deposit so that the Company’s shareholders could have a reasonable appreciation of the Company’s annual results for the year ended 31 December 2013.

The Board is pleased to announce that full amount of the Deposit had been refunded by the Entity back to the Group on 9 June 2014. RMB200 million was refunded back to the Group on 22 May 2014 and the remaining balance of RMB196 million was refunded back to the Group on 9 June 2014. Following the successful recovery of RMB396 million from the Entity, the Group will report a significant gain of approximately HK\$494.41 million on recovery of other receivable previously written off in the year ended 31 December 2014. Pursuant to this significant gain of HK\$494.41 million, the unaudited consolidated net profit of the Group for the six months ended 30 June 2014 and for the year ended 31 December 2014 is expected to increase significantly when compared with the unaudited consolidated net profit of the Group for the six months ended 30 June 2013 and the year ended 31 December 2013.

On behalf of the Board

**Mingyuan Medicare Development Company Limited**

**銘源醫療發展有限公司\***

**Yao Yuan**

*Chairman & CEO*

Hong Kong, 9 June 2014

*As at the date of this announcement, the executive directors are Mr. Yao Yuan (Chairman & CEO), Mr. Zhao Chao, and Mr. Zhou Li Qun; non-executive director is Mr. Yu Ti Jun; the independent non-executive directors are Mr. Lee Sze Ho, Henry, Mr. Tang Yan Qin, and Mr. Chow Wing Kin.*

\* For identification purposes only