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同方康泰產業集團有限公司
Tongfang Kontafarma Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

POSITIVE PROFIT ALERT

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2017 (the “**Period**”), the Group is expected to record a net profit for the Period, as compared to a net loss of approximately HK\$13 million for the corresponding period in 2016.

The Board considers that the aforesaid turnaround from a loss position is primarily attributable to (i) the increase in revenue and profit generated by the cement business of the Group under the rising cement market in the People’s Republic of China during the Period as compared to the loss for the corresponding period in 2016; (ii) the profit generated by the medical and pharmaceutical business of the Group following the Group’s acquisition of 60% equity interest in Tongfang Pharmaceutical Group Co., Ltd* 同方藥業集團有限公司 (formerly known as Beijing Ziguang Pharmaceutical Co., Ltd.* 北京紫光製藥有限公司) and its subsidiaries in July 2016 (please refer to the Company’s circular dated 22 March 2016 for details); and (iii) the profit generated by the fitness business of the Group following the Group’s acquisition of 51% and 29% of the issued share capital in TFKT True Holdings and True Yoga Holdings Limited, respectively, in May 2017 (please refer to the Company’s announcement dated 6 May 2017 for details).

The information in this announcement is based on a preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the Period. Such information has not been finalised, audited or reviewed by the Company's independent auditor, and has not been confirmed by the audit committee of the Board. Shareholders and potential investors are advised to refer to the details in the results announcement of the Company for the Period, which is expected to be published in August 2017. There may be changes or adjustments following review of the unaudited management accounts by the independent auditor of the Company.

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

By order of the Board of
Tongfang Kontafarma Holdings Limited
Huang Yu
Chairman

Hong Kong, 25 July 2017

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Huang Yu (Chairman), Mr. Ng Qing Hai (Managing Director) and Mr. Zhang Yi; and three independent non-executive directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.

* *For identification purpose only*