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## ANNOUNCES ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2014

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### **TURNOVER AND PROFIT INCREASE STEADILY CAPTURING MARKET OPPORTUNITY TO FURTHER EXPAND CHINESE AND WESTERN MEDICINE MARKET NETWORK**

#### RESULTS HIGHLIGHTS

FOR THE YEAR ENDED 31 MARCH	2014 (HK\$'000)	2013 (HK\$'000)	Change %
Revenue	865,258	785,581	+10.1
Gross profit	389,490	361,009	+7.9
Profit attributable to owners of the parent	163,374	148,433	+10.1
Final dividend per share (proposed)	HK0.3cents	HK0.3cents	N/A

Wai Yuen Tong Medicine Holdings Limited (“WYT Holdings” or the “Company”, together with its subsidiaries collectively referred to as the “Group”; stock code: 00897) announced its annual results for the year ended 31 March 2014 (the “Year”).

Revenue increased by approximately 10.1% year-on-year to approximately HK\$865,258,000 (2013: approximately HK\$785,581,000) and the gross profit was approximately HK\$389,490,000 (2013: approximately HK\$361,009,000). During the year, profit attributable to owners of the parent amounted to approximately HK\$163,374,000 (2013: approximately HK\$148,433,000), representing an increase of approximately 10.1% year-on-year. Increase in profit was mainly attributable to the increase in the Group’s revenue and the gain from change in fair value of investments held-for-trading. The Board recommended the payment of a final dividend of HK0.3 cents (2013: HK0.3 cents) per ordinary share for the year ended 31 March 2014.

#### Business Review

With growing importance attached by consumers to personal health and well-being, the sales of the Group’s coarse and fine medicinal materials, health food and personal care products business sustained steady growth during the Year. The Group also actively diversified its



product portfolio and stepped up marketing efforts, which helped enlarge customer base and further enhanced its brand popularity and product image.

During the Year, turnover of Chinese pharmaceutical and health food products increased by approximately 9.6% to approximately HK\$701,600,000 (2013: approximately HK\$640,200,000). Despite the recent relative slowdown in the overall economic growth, the Group managed to maintain stable same store sale growth. On the other hand, other channels, such as chain stores, key accounts and distributors, also reported continuous growth in sales as compared with that of the same period last year.

During the Year, turnover of western pharmaceutical and health food products increased by approximately 11.8% to approximately HK\$152,000,000 (2013: approximately HK\$136,000,000), the main reason is due to the Group's sales of western pharmaceutical products for the upper respiratory tract under the brand name of "Madame Pearl's" and the personal health care products under the brand name of "Pearl's" showed satisfactory improvement.

For property investment business, the Group completed the acquisition of an investment property located in Jordan, Kowloon, Hong Kong in April 2013. Together with the above mentioned property, the Group currently has 11 investment properties on hand.

### **Future Prospects**

In order to enhance production process to meet more stringent regulatory requirements and to respond more flexibly to market demands, the Group is speeding up the construction of new factory in Yuen Long Industrial Estate. It is expected to be completed by the end of 2016 and commence production in 2017 after completion of facility installation as well as fine-tuning and testing. In addition to advanced production equipment and workshops that are designed to meet production needs, the new facility also houses a modern research and development centre, which is expected to significantly enhance the Group's capacity in production and research and development. The new factory will allow the Group to have both the production of proprietary Chinese medicines and western medicines under one roof. At the same time, the Group may further leverage the advantages of vertical integration to strengthen new product development, thereby achieving steady expansion of its product lines.



The Group has been adhering to its philosophy of "Preparing medicine with dedications, growing strong with reputation" in its business operation. Mr. Tang Ching Ho, the Chairman of WYT Holdings, said: "The Group will continue to strive to expand its product range, enlarge customer base, strengthen quality management and cost control, and step up efforts in marketing and promotional activities, with an aim to further enhance its corporate image and product competitiveness. Also, the Group will continue to develop healthcare and baby products to facilitate the growing demand of the market. On the other hand, the Group has introduced a modern, standardised management and business model in traditional Chinese medicine consultation through the provision of Chinese medicine consultation services in Hong Kong. The Group intends to extend the provision of such Chinese medicine consultation services to other cities in Mainland China, thereby providing the market with more diversified services. The Group will also assess acquisition opportunities according to market conditions that will create synergies with its existing businesses, and seize the opportunities to further diversify its existing business portfolio, in order to strengthen and broaden the revenue base."

### **About WYT Holdings**

Listed on The Stock Exchange of Hong Kong Limited, WYT Holdings is principally engaged in the production, processing and retailing of pharmaceutical and health products, including Chinese medicinal products and health food products under the brand name of "Wai Yuen Tong", western pharmaceutical, health food and personal care products under the brand names of "Madame Pearl's" and "Pearl's" and property investment. In recent years, WYT Holdings has introduced one-stop healthcare and medical services.

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