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IVD Medical Holding Limited

華檢醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1931)

INSIDE INFORMATION

PROFIT WARNING FOR THE SIX MONTHS ENDED 30 JUNE 2020

This announcement is made by IVD Medical Holding Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 in the Listing Rules) 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 the latest available information and a preliminary assessment of the Group’s unaudited consolidated management accounts for the six months ended 30 June 2020 (the “**Reporting Period**”), it is expected that the Group will record a revenue for the Reporting Period in substantially similar amount to that of the six months ended 30 June 2019, a positive profit attributable to owners of the parent of the Group with a substantial decrease by not less than 80% and a positive adjusted profit attributable to owners of the parent of the Group (Note 1) with a substantial decrease by not less than 30%, respectively, for the Reporting Period as compared to those of the six months ended 30 June 2019, respectively.

The decrease in profit attributable to owners of the parent of the Group for the Reporting Period was primarily attributable to (i) a one-off, non-operating gain on remeasurement of pre-existing interest in Vastec Medical Limited (“**Vastec**”) relating to the Company’s acquisition of 60% shareholding interest in Vastec in January 2019, which was reflected in profit attributable to owners of the parent of the Group for the six months ended 30 June 2019 but was not available for profit attributable to owners of the parent of the Group for the Reporting Period; (ii) expenses in relation to share options; and (iii) a temporary decrease in end customers’ demand for in vitro diagnostic (“**IVD**”) products resulting from close-down of hospitals and other quarantine and social distancing measures put in place in mainland China in response to outbreak of the coronavirus disease (“**COVID-19**”) since early 2020, which had an adverse impact on the profitability of the Group’s IVD products distribution business. The decrease in adjusted profit attributable to owners of the parent of the Group for the Reporting Period was primarily attributable to the adverse impact of COVID-19 on the profitability of the Group’s IVD products distribution business as detailed in (iii) above. The Group has been closely monitoring the market conditions and adjusting its business strategies and operations to minimise such adverse impact.

As at the date of this announcement, the Group is still in the process of preparing its unaudited consolidated interim results for the Reporting Period and is not able at this time to disclose any further details on the above factors. The information contained in this announcement is only based on the Board's preliminary assessment with reference to the unaudited consolidated management accounts of the Group for the Reporting Period and information currently available to the Board, which has not been reviewed or confirmed by the Company's auditors and/or the audit committee of the Company and is subject to changes. Shareholders and potential investors should refer to and review the unaudited consolidated interim results for the Reporting Period, which will be published by the Company pursuant to the requirements of the Listing Rules in due course.

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

Note 1: Adjusted profit attributable to owners of the parent is calculated by profit attributable to owners of the parent deducting gain on remeasurement of pre-existing interest in Vastec, initial public offering expenses and expenses in relation to share options.

By order of the Board
IVD Medical Holding Limited
Ho Kuk Sing
Chairman and Executive Director

Hong Kong, 15 July 2020

As at the date of this announcement, the Board comprises of three executive directors, namely, Mr. Ho Kuk Sing, Mr. Leung King Sun and Mr. Lin Xianya, three non-executive directors, namely, Mr. Chen Xingang, Mr. Yang Zhaoxu, and Mr. Chan Kwok King, Kingsley and three independent non-executive directors, namely, Mr. Lau Siu Ki, Mr. Zhong Renqian and Mr. Leung Ka Sing.