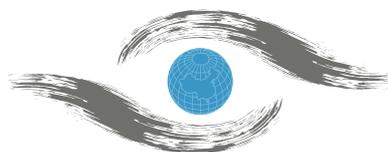


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C-MER 希瑪

C-MER EYE CARE HOLDINGS LIMITED

希瑪眼科醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3309)

PROFIT WARNING

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of C-MER Eye Care Holdings Limited (the “**Company**” which together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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).

Based on the unaudited financial information currently available for the year ended 31 December 2022 (“**FY2022**”), while comparing with the year ended 31 December 2021 (“**FY2021**”) the Group’s revenue is expected to increase by around 55% to approximately HK\$1.7 billion (with revenue from the Group’s Hong Kong ophthalmic business is expected to increase by more than 40%), the Group’s profitability in FY2022 was nevertheless affected by the following factors:

- (i) the losses of the Group’s ophthalmic business in Mainland China due to the impact of COVID-19, and the Group’s business in Shanghai and Beijing were particularly hard-hit. The Group also recorded losses in its newly set up eye hospitals in Guangzhou and Jieyang (揭陽), and an eye centre in Fuzhou (福州), which commenced operations in April 2022, August 2022 and December 2021, respectively, and are still in their investment stages;
- (ii) a fair value loss on the financial asset at fair value through profit or loss of approximately HK\$33 million; and
- (iii) a net loss of the Group’s Mainland China dental business due to the restrictive border measures that were implemented at the border between Mainland China and Hong Kong to prevent the spread of COVID-19, which remained in place for most of FY2022.

However, the loss was partially offset by (i) profit from the business of sales of medical consumables in Hong Kong and (ii) an increase in the share of profit from an associate which carries out medical laboratory services in Hong Kong.

As a result, the loss attributable to the equity holders of the Company is expected to be in the range of HK\$20 million to HK\$25 million in FY2022, as compared with the profit attributable to the equity holders of the Company of HK\$21.9 million in FY2021.

After the COVID-19 control measures in Mainland China relaxed in December 2022, in the first quarter of 2023 the Group's business performance in Mainland China has seen an improvement. In particular, after the easing of COVID-19 preventive measures and the opening up of the border between Mainland China and Hong Kong, the Directors saw an immediate and significant positive impact on the Group's Mainland China dental business, which has already returned to the pre-pandemic level based on the operational data available.

The Group will closely monitor the market condition and adjust its business strategies and operations accordingly. The Group will also continue with its practice of stringently managing its working capital and capital expenditure to ensure a healthy cash flow and a strong cash position.

As the Company is still in the process of finalising the results for FY2022, the information contained in this announcement is based on the management's preliminary review on the management accounts of the Group and current information available to the Board and has not been reviewed and confirmed by the Company's auditors or the audit committee of the Board. Shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Company for FY2022 which is expected to be published by the end of March 2023.

Shareholders and prospective investors of the Company are advised to exercise caution when dealings in the shares of the Company.

By order of the Board
C-MER Eye Care Holdings Limited
Dr. LAM Shun Chiu Dennis JP

Chairman and Chief Executive Officer and Executive Director

Hong Kong, 17 March 2023

As of the date of this announcement, the Board comprises four executive Directors, namely Dr. LAM Shun Chiu Dennis JP, Ms. LI Xiaoting, Dr. LEE Yau Wing Vincent and Mr. LI Chunshan, and six independent non-executive Directors, namely, Dr. Rex AU YEUNG Pak-kuen GBS JP, Dr. LI Kwok Tung Donald SBS OStJ JP, Mr. MA Andrew Chiu Cheung, Mr. CHAN Chi Leong, Ms. BENTLEY Annie Liang, and Mr. IP Shu Kwan Stephen GBS JP.