

[For Immediate Release]



**Real Nutri announces to enter into a memorandum with  
the Management Committee in Zhangye City of Gansu  
Province and Yongzhen Pharmaceutical Co., Ltd.  
to develop a retirement village**

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**Create synergy with the Group's existing amino acid-based supplements business**

**Expand product sales channels and develop healthcare services business**

**Summary of the memorandum :**

- **To achieve greater synergy**, the project **promotes the development and sales of the Group's core amino acid-based supplements** through integration of the Group's more than 10 years sizable membership base and the retirement village.
  - **To seek for cross-selling and opportunities for business cooperation** and provide a comprehensive regimen healthcare services for Real Nutri Health Club members and latent customers, including accommodation in the village resort hotel and ecological tours, medical check-ups in Medical Examination Center.
  - The large scale retirement village provides a new customer base for the Group's existing business, which is conducive to **further expand the customer base of the Group's amino acid-based nutritional supplements**.
  - The Group considers this project is a **natural extension of the Group's business focus on the healthcare sector**.
- **The Group has engaged the Pension Service Committee of the China Home Service, Ms. Lu Jun and Ms Liu Qiao Ling , the top industry experts, as project consultants. Zhangye Yongzhen will provide the relevant business and technological support and the Minle Management Committee will provide the necessary policy support and assistance for the project.**
- The construction floor area of the project is approximately 160,000 square meters. **The Group will be responsible for investments and financing, providing technological support and in charge of the operation of the project.** The estimated total investment is up to RMB1 billion.

(8<sup>th</sup> March, 2018 – Hong Kong) **Real Nutriceutical Group Limited** ("Real Nutri" or "the Group", stock code: 2010) today announces that the Group entered into a memorandum of understanding (the "MOU") with **the management committee of the Minle Ecological Industrial Park in Zhangye City of Gansu Province of the People's Republic of China (the "Minle Management Committee") and Zhangye City Yongzhen Pharmaceutical Co., Ltd. ("Zhangye Yongzhen")** to develop a retirement village in the Minle County, Zhangye City, Gansu Province, the PRC.

The project is intended to be developed into a large scale retirement village combining elderly healthcare services, pollution-free Chinese medicine plantation and production and ecological hotel

and tourism services, with an estimated total investment up to RMB1 billion and construction floor area of approximately 160,000 square meters. The Group will be responsible for the introduction of investments and financing, providing technological support and in charge of the operation of the project. Zhangye Yongzhen will provide the relevant business and technological support and the Minle Management Committee will provide the necessary policy support and assistance for the project.

The Group has engaged (i) the Pension Service Committee of the China Home Service Association (“CHSA”), (ii) Ms. Lu Jun, the vice president and secretary general of the Chinese Geriatrics Society (“CGS”), and (iii) Ms Liu Qiao Ling, the chairman of the Elderly Healthcare Branch of the China Health Care Association (“CHCA”) as consultants for the project to provide professional advice, referral and guidance. CHSA is a non-profit organisation set up in the PRC and its mission includes the integration of relevant resources for home community services and the expansion of community elderly healthcare services. CGS is a non-profit organisation set up in the PRC by experts, professors and academics. CHCA is a professional institution specialized in research and development and institutional management of elderly healthcare industry.

**Dr. Wang Fucui, Chairman and Chief Executive Officer of the Group**, said, “Due to population ageing in the PRC, there has been an increasing demand for elderly healthcare services. The Group has developed a sizable elderly membership base through the sales and promotion of its health supplements for more than 10 years. We believe that the new project will expand the Group’s healthcare services business and sales channels. We consider the project is a natural extension of the Group’s business focus on the healthcare sector, which enables to create strong synergy with the Group’s existing business. This will lay a solid business foundation for the Group’s future development in the long run.”

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### **About Real Nutri**

Real Nutri is the leading brand in the amino acids health supplement market in China. Our diversified product portfolio spans a health industry spectrum, including nutritional supplements and general health food and health drinks. Our Amino Acids Tablets have been selected as the official gift to the PRC National Assemblies which comprises the annual general meetings of the PRC National People’s Congress and the Chinese People’s Political Consultative Conference. We sell our health supplements and general health food products to an extensive network of regional and local distributors in China. As at 30 June 2017, our health supplements and general health food products were sold through the third party’s retail network at approximately 80,000 sales points, including supermarkets, hypermarkets and retail pharmacies.

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