



STRATEGIC INVESTMENT IN AVALON PHOTONICS

To Jointly Develop, Manufacture and Marketing/Sale of LED-Based Wearable Phototherapy Devices for Neonatal Jaundice

(Hong Kong, 28 September 2017) -- **Vincent Medical Holdings Limited** ("**Vincent Medical**" or together with its subsidiaries, the "**Group**", stock code: 1612) and Avalon Photonics Holdings Limited ("**Avalon Photonics**"), a company founded and majority owned by Avalon Biomedical (Management) Limited are pleased to announce that they have reached an investment agreement (subject to certain condition precedents to be satisfied) to advance the ongoing development and commercialisation of Kanga-Care™, a wearable phototherapy device for newborn jaundice, a common condition in newborns and presents as a yellowing or yellow-greenish discoloration of the skin and whites of the eyes.

Under the leadership of Dr. Manson Fok, a distinguished medical doctor and biotechnology entrepreneur from Hong Kong, with scientific advisory support from Dr. Johnson Yiu-Nam Lau, a successful pharmaceutical/biotechnology executive, Avalon Photonics is focused on the development of wearable phototherapy devices for neonatal jaundice. Mr. Otto To, CEO and Executive Director of Vincent Medical, will also serve as a director of Avalon Photonics upon completion of the investment agreement.

"This is a pragmatic way to extend our capabilities into phototherapy and expand our existing product line in paediatric medical equipment, one of the fast-growing areas in China following the relaxation of the one child policy." said **Mr. Vincent Choi, Founder, Chairman and Executive Director of the Group**. "According to the National Health and Family Planning Commission of the People's Republic of China, more than 17.8 million babies were born in the mainland in 2016, 7.9% more than 2015, which was the record total since the year of 2000. We are optimistic that our track record of manufacturing and bringing new medical devices to the Chinese market, coupled together the innovation of the Avalon Photonics, will enable us to capitalise on this important opportunity."

"By teaming up with Vincent Medical, we will stand to benefit from their manufacturing and marketing and sales expertise in the PRC market and strong customer relationships. Our team is looking forward to collaborating seamlessly with Vincent Medical on the product development and further extend our product offering in phototherapy." said **Dr. Manson Fok, MBBS, FRCS, Chairman of Avalon Photonics**.

Kanga-Care™ is an innovative phototherapy device under development for intended applications in neonatal jaundice and dermatological diseases, suitable for both home and hospital use. It will consist of a cotton fabric wrapper embedded with light panels that connects to a handy light emitting device. The device will allow cuddling and establishment of breastfeeding without interrupting phototherapy, and also, no eye-shield will be needed for infants or parents. Kanga-Care™, classified as a CLASS-II device, is now undergoing China Food and Drug Administration (CFDA) regulatory approval process.

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About Vincent Medical Holdings Limited (永勝醫療控股有限公司) (Stock code: 1612)

Established in 1997, Vincent Medical Holdings Limited is a Hong Kong-headquartered medical device manufacturing group. The Group develops, manufactures and sells a wide range of medical devices, focusing on respiratory products, imaging contrast media power injector disposable products, and orthopaedic and rehabilitation products, which satisfy internationally-recognised quality assurance standards, to its customers in the PRC and overseas markets. The Group has established its OEM business since its inception and its OBM business in 2003 with its “Inspired Medical” (「英仕醫療」) brand. According to the CIC Report, Vincent Medical was the second largest exporter of respiratory and anaesthesia disposables in the PRC based on export value in 2015. The Group has developed a domestic and overseas distributorship network for its OBM business, which currently has over 392 distributors and other customers in the PRC, and approximately 48 overseas distributors and other customers in various countries such as Australia, Japan, Korea, Indonesia, India, Chile, Brazil and Saudi Arabia. For more information about Vincent Medical, please visit: <http://www.vincentmedical.com/>

About Avalon Photonics

Avalon Photonics is a medical technology company that designs and develops phototherapeutic technologies for managing various diseases. The first product is a wearable LED-based medical device (Kanga-care™) developed by a group of engineers, scientists, and physicians for neonatal jaundice.

For more information about Avalon Photonics, please visit: <http://www.avalonphotonics.com>

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