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UNIVERSAL HEALTH INTERNATIONAL GROUP HOLDING LIMITED
大健康國際集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2211)

**PUBLICATION OF UNAUDITED MANAGEMENT ACCOUNTS
OF THE GROUP
FOR THE EIGHTEEN MONTHS ENDED 30 JUNE 2018
AND
CONTINUAL SUSPENSION OF TRADING**

Reference is made to the announcement of Universal Health International Group Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 28 September 2018, in relation to the delay in publication of annual results of the Group for the eighteen months ended 30 June 2018 (the “**Annual Results**”) and suspension of trading.

This announcement is made by the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

In order to keep the shareholders of the Company (the “**Shareholders**”) and the public informed of the Group’s financial performance and position, the Board wishes to set forth below the preliminary unaudited consolidated financial information extracted from the draft management accounts of the Group for the eighteen months ended and as of 30 June 2018, together with the audited comparative figures for the year ended 31 December 2016. The Directors confirm that the following unaudited consolidated financial information is prepared on the same basis as used in the audited financial statements of the Group for the year ended and as of 31 December 2016.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the eighteen months ended 30 June 2018 (Unaudited) RMB'000	For the year ended 31 December 2016 (Audited) RMB'000
Revenue	3,968,907	3,378,719
Cost of sales	<u>(3,316,816)</u>	<u>(2,504,633)</u>
Gross profit	652,091	874,086
Selling and marketing expenses	(955,723)	(727,197)
Administrative expenses	(146,582)	(91,620)
Impairment loss on goodwill and other intangible assets	(489,447)	(129,139)
Impairment loss on investment in an associate	(27,430)	—
Other income	1,432	2,641
Other losses – net	(3,440)	(8,643)
Change in fair value of biological assets	<u>2,890</u>	<u>—</u>
Operating loss	(966,209)	(79,872)
Finance income	13,244	18,715
Finance costs	<u>(12,490)</u>	<u>(5,762)</u>
Finance income – net	754	12,953
Share of post-tax profits of joint ventures	672	691
Share of post-tax profit of an associate	<u>905</u>	<u>3,548</u>
Loss before income tax	(963,878)	(62,680)
Income tax credit/(expenses)	<u>39,087</u>	<u>(24,638)</u>
Loss for the period/year	(924,791)	(87,318)
(Loss)/profit attributable to:		
– Owners of the Company	(917,007)	(87,811)
– Non-controlling interests	<u>(7,784)</u>	<u>493</u>
	(924,791)	(87,318)
Loss per share attributable to owners of the Company for the period/year (RMB cents)		
– Basic and diluted	<u>(33.67)</u>	<u>(3.92)</u>
Other comprehensive income/(loss)		
<i>Item that may be reclassified to profit or loss</i>		
Currency translation differences	<u>8,122</u>	<u>(7,938)</u>
Total comprehensive loss for the period/year	(916,669)	(95,256)
Total comprehensive (loss)/income attributable to:		
– Owners of the Company	(908,885)	(95,749)
– Non-controlling interests	<u>(7,784)</u>	<u>493</u>
	(916,669)	(95,256)

CONSOLIDATED BALANCE SHEET

	As at 30 June 2018 (Unaudited) RMB'000	As at 31 December 2016 (Audited) RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment	278,572	226,665
Land use rights	5,489	3,619
Intangible assets	16,560	517,681
Investments in joint ventures	8,883	8,211
Investment in an associate	220,099	246,624
An available for sale financial asset	22,869	—
Prepayment for construction in progress	—	25,426
Biological assets	87,690	—
Deferred income tax assets	11,498	12,862
Total non-current assets	651,660	1,041,088
Current assets		
Trade and other receivables	299,837	545,535
Inventories	303,525	391,756
Restricted cash	45,147	217,131
Cash and cash equivalents	929,161	1,107,329
Total current assets	1,577,670	2,261,751
Total assets	2,229,330	3,302,839
EQUITY		
Equity attributable to owners of the Company		
Share capital	19,167	14,878
Reserves	1,645,885	1,524,900
Retained earnings	251,904	1,168,911
	1,916,956	2,708,689
Non-controlling interests	20,419	24,761
Total equity	1,937,375	2,733,450
LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	1,636	41,282
Current liabilities		
Borrowings	—	154,550
Trade and other payables	290,255	371,926
Current income tax liabilities	64	1,631
Total current liabilities	290,319	528,107
Total liabilities	291,955	569,389
Total equity and liabilities	2,229,330	3,302,839

The Board wishes to emphasise that the unaudited consolidated financial information set out above has not been finalised and is subject to (i) finalisation of audit procedures carried out by Mazars CPA Limited, auditors of the Company (the “**Auditors**”); (ii) further review by the Company and relevant professional parties; and (iii) any potential adjustments that might be proposed by the Auditors. Shareholders and potential investors should note that the above unaudited consolidated financial information of the Group has not been reviewed or audited by the Auditors but has been reviewed by the audit committee of the Company (“**Audit Committee**”). The unaudited consolidated financial information set out above is only based on the preliminary assessment of the Board after reviewing the unaudited management accounts of the Group for the eighteen months ended 30 June 2018, and is not based on any other data or information that has been audited or reviewed by the Auditors, or approved by the Board and its Audit Committee.

The meeting of the Board for the purpose of, among others, considering and approving the publication of the Annual Results has been postponed to a date no later than 31 October 2018. As the Company is still working closely and actively communicating with the Auditors to assist them to complete the audit of the consolidated financial information of the Group, the Company will use its best endeavours to publish the Annual Results as soon as practicable. The Company will publish further announcement(s) to inform the Shareholders of the date of publication of the Annual Results and the date of despatch of the Annual Report for the same period as and when appropriate.

Shareholders and potential investors are advised to exercise extreme caution when considering the unaudited consolidated financial information disclosed above and when dealing in the securities of the Company.

CONTINUAL SUSPENSION OF TRADING

As a result of the delay in publication of the Annual Results and the requirements of Rule 13.50 of the Listing Rules, trading in the shares of the Company on The Stock Exchange has been suspended with effect from 9:00 a.m. on 2 October 2018, pending the publication of the Annual Results, and will remain suspended until further notice.

By order of the Board
Universal Health International Group Holding Limited
Jin Dongtao
Chairman

Hong Kong, 16 October 2018

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Jin Dongtao, Mr. Jin Dongkun, Mr. Zhao Zehua and Mr. Sun Libo and three independent non-executive directors, namely, Mr. Cheng Sheung Hing, Ms. Chiang Su Hui Susie and Mr. Zou Haiyan.