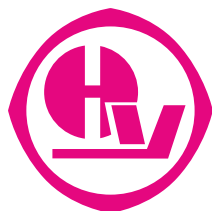


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HUIYIN SMART COMMUNITY CO., LTD.

汇银智慧社区有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1280)

UPDATE ON SUSPENSION OF TRADING

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Huiyin Smart Community Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”).

Reference is made to the announcements (the “**Announcements**”) of the Company dated 26 March, 2 April, 6 April, 12 April, 26 April, 4 May, 16 May, 17 May, 25 May, 26 June, 26 July, 24 August, 3 September, 10 September, 20 September, 26 September, 26 October, 5 November and 9 November 2018. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

BUSINESS OPERATIONS

As disclosed in the Company’s announcement dated 5 November 2018, the Company published a preliminary unaudited financial information of the Group for the nine months ended and as of 30 September 2018. Based on a further review of the unaudited consolidated management accounts of the Group for one month ended and as of 31 October 2018, the Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a net loss attributable to the Shareholders for the ten months ended and as of 31 October 2018, as compared to the corresponding period in 2017.

CLAIMS AGAINST THE SUPPLIERS

On 20 August 2018, Yangzhou Huiyin filed two claims at the civil court against the two Suppliers in respect of, among others, the Prepayments. On 3 September 2018, Yangzhou Intermediate Court decided to accept the two claims. On 14 November 2018, the Company has received the subpoenas from Yangzhou Intermediate Court and was notified that the court dates against two Suppliers, Jiangsu Zhipu Electric Co., Ltd. (江蘇致普電器有限公司) and Suohai Electronics Co., Ltd. (揚州索海電子有限公司), were both scheduled on 18 December 2018.

The Company will make further announcement(s) to update the Shareholders and the public as and when appropriate.

PUBLICATION OF THE 2017 ANNUAL RESULTS AND THE UNAUDITED 2018 INTERIM RESULTS

The Company has published its unaudited management accounts for the nine months ended 30 September 2018. Please refer to the Company's announcements dated 5 November and 9 November 2018 for further details.

As requested by the Board and based on the latest auditing progress for the 2017 Annual Results, subject to any material adverse changes or other findings identified by the Auditor, the 2017 Annual Results are still currently expected to be finalised and published on or around 26 December 2018. The Company also expects to announce the unaudited interim results for the six months ended 30 June 2018 within approximately one month from the publication of the 2017 Annual Results.

UPDATE ON THE EXTENDED INDEPENDENT INVESTIGATION

As disclosed in the Company's announcement dated 26 October 2018, the Company has engaged KPMG Advisory (China) Limited ("**KPMG**") to identify, if any, other material prepayments (in addition to the Prepayments already under investigation) made by the Group which were not properly approved or supported, and assess and disclose their impact on the Group.

On 9 November and 15 November 2018 respectively, KPMG submitted the extended draft investigation report ("**Extended Draft Investigation Report**") to the Independent Investigation Committee and the Company. The Company is in the process of reviewing the Extended Draft Investigation Report and will announce the summary of the findings of the same, if any, in due course.

INTERNAL CONTROL REVIEW

On 12 September 2018, Suzhou Fandao Certified Public Accountants Co., Ltd. (General Partnership)* (蘇州凡道會計師事務所(普通合夥)) was appointed to conduct a review on the internal control of the Company in light of the Investigation Report prepared by KPMG dated 25 August 2018 and the implementation of relevant rectification actions by the Company. The draft report of this internal control review has been provided to the Company on 22 November 2018. The Company is currently reviewing the draft report and will make further announcement once the report of this internal control review is finalised.

CONTINUED SUSPENSION OF TRADING

Trading of the Shares will remain suspended until further notice.

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

* For identification purposes only.

By order of the Board
Huiyin Smart Community Co., Ltd.
Yuan Li
Chairman

Yangzhou, PRC, 26 November 2018

As at the date of this announcement, the Board of Directors of the Company comprises four executive Directors, namely Mr. Yuan Li, Mr. Xin Kexia, Mr. Xu Xinying and Ms. Liu Simei, one non-executive Director, namely Mr. Wang Cai, and three independent non-executive Directors, namely Mr. Tam Chun Chung, Mr. Zhao Jinyong and Mr. Chen Rui.