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TIAN YUAN HEALTHCARE

天元医疗

CHINA TIAN YUAN HEALTHCARE GROUP LIMITED

中國天元醫療集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

**DELAY IN PUBLICATION OF THE 2020 INTERIM RESULTS
AND DESPATCH OF THE 2020 INTERIM REPORT
AND
CONTINUED SUSPENSION OF TRADING**

This announcement is made by the board of directors (the “**Board**”) of China Tian Yuan Healthcare Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.49(6) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated (i) 21 August 2020 in relation to suspension of trading in the shares of the Company; (ii) 31 August 2020 in relation to postponement of board meeting; and (iii) 11 September 2020 in relation to resumption guidance, and the annual report of the Company for the year ended 31 December 2019 (“**2019 Annual Report**”).

**DELAY IN PUBLICATION OF THE 2020 INTERIM RESULTS AND DELAY IN
DESPATCH OF THE 2020 INTERIM REPORT**

On 23 August 2020, the Company published its 2019 Annual Report in which Moore Stephens, the auditors of the Company set out in their independent auditors’ report that they do not express an opinion on the consolidated financial statements of the Group for the year ended 31 December 2019 and the basis of the disclaimer of opinion (the “**Disclaimer of Opinion**”). For further details of the Disclaimer of Opinion, please refer to the 2019 Annual Report.

Following the publication of the 2019 Annual Report which contained the Disclaimer of Opinion, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on Monday, 24 August 2020, at the request of the Company.

On 10 September 2020, the Stock Exchange informed the Company of the following resumption guidance (the “**Resumption Guidance**”): (i) publish all outstanding financial results and address any audit modifications; (ii) demonstrate its compliance with Rule 13.24; (iii) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules; and (iv) inform the market of all material information for shareholders of the Company and investors to appraise the Company’s positions.

Pursuant to the Listing Rules, the Company is required to publish its unaudited interim results announcement for the six months ended 30 June 2020 (the “**2020 Interim Results**”) on or before 31 August 2020 and despatch its interim report for the six months ended 30 June 2020 (the “**2020 Interim Report**”) on or before 30 September 2020.

After due and careful consideration, having taken into account the significance of the Disclaimer of Opinion which may continue to impact certain aspects of the 2020 Interim Results, the Board is of the view that it is in the interest of the Company and its shareholders as a whole not to publish any potentially misleading and/or inaccurate 2020 Interim Results (including the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020) which may not accurately reflect the financial performance and position of the Group before the impacts of the Disclaimer of Opinion having been properly assessed and dealt with by the Company and its professional advisers engaged or to be engaged. As at the date of this announcement, the Company has appointed an independent firm of certified public accountants to perform a review on the 2020 Interim Results in accordance with the Hong Kong Standard on Review Engagement 2400 “Engagements to Review Historical Financial Statements” with an aim to assess and address the impacts of the Disclaimer of Opinion on the 2020 Interim Results, and assist the Board to safeguard the reliability of the 2020 Interim Results to be published.

Accordingly, the Company considers it inappropriate to publish the unaudited consolidated results of the Group for the six months ended 30 June 2020 which are yet to be reviewed by the independent firm of certified public accountants and before the impacts of the Disclaimer of Opinion having been properly assessed and dealt with, and hence, the despatch of the 2020 Interim Report will also not be ready by 30 September 2020 as required under the Listing Rules.

The Board acknowledges that the delay in publication of the 2020 Interim Results and the delay in despatch of the 2020 Interim Report constitute non-compliance with Rules 13.49(6) and 13.48(1) of the Listing Rules, respectively.

Notwithstanding the foregoing, the Board has been taking actions towards the Resumption Guidance (including addressing the Disclaimer of Opinion and the publication of the 2020 Interim Results), including (i) the appointment of an independent firm of certified public accountants to perform a review on the 2020 Interim Results in accordance with the Hong Kong Standard on Review Engagement 2400 “Engagements to Review Historical Financial Statements”; and (ii) the appointment of an independent internal control consultant to perform a review on the Group’s internal control system, in September 2020.

Taking into account the expected time required for performing the review on the 2020 Interim Results by the independent firm of certified public accountants appointed by the Company, the expected timeline for the key events in relation to the board meeting to approve the 2020 Interim Results, the publication of the 2020 Interim Results and the despatch of the 2020 Interim Report is set out as follows:

Date of Board meeting	On or before 15 December 2020
Publication of the 2020 Interim Results	On or before 15 December 2020
Despatch of the 2020 Interim Report	On or before 31 December 2020

The Company will publish further announcement(s) to inform the shareholders of the Company of any further updates on (i) the date(s) of the Board meeting to consider and approve the 2020 Interim Results; and (ii) the despatch of the 2020 Interim Report as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on Monday, 24 August 2020 and will remain suspended until further notice.

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

By order of the Board
China Tian Yuan Healthcare Group Limited
Zhang Xian
Executive Director

Hong Kong, 30 September 2020

As at the date of this announcement, the Board is composed of eight directors of which Mr. Wang Huabing (chairman) and Ms. Zhang Xian are the executive directors, Ms. He Mei, Mr. Zhang Yupeng and Mr. Zhou Yuan are the non-executive directors and Mr. Hu Baihe, Mr. Yuen Kwok Kuen and Mr. Guo Jingbin are the independent non-executive directors.