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China Animal Healthcare Ltd.

中國動物保健品有限公司*

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock code: 0940)

- (1) UPDATE ON RECENT DEVELOPMENT OF SUSPENSION OF TRADING**
- (2) DELAY IN PUBLICATION OF 2014 ANNUAL RESULTS, 2015 INTERIM RESULTS AND 2015 ANNUAL RESULTS AND DESPATCH OF 2014 ANNUAL REPORT, 2015 INTERIM REPORT AND 2015 ANNUAL REPORT**
- (3) RESIGNATIONS OF NON-EXECUTIVE DIRECTORS**
- (4) CHANGE IN COMPOSITION OF THE AUDIT COMMITTEE, THE NOMINATION COMMITTEE AND THE COMPLIANCE COMMITTEE**
- (5) CONTINUAL SUSPENSION OF TRADING**

- (1) UPDATE ON RECENT DEVELOPMENT OF SUSPENSION OF TRADING**

This announcement is made by China Animal Healthcare Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) and 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 10 July 2015, 23 October 2015, 30 October 2015, 30 November 2015, 28 December 2015, 30 December 2015, 1 February 2016 and 3 March 2016 (the “**Previous Announcements**”) in relation to, among other things, the Forensic Investigation and the suspension of trading of the shares of the Company. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as defined in the Previous Announcements.

The Company is currently working with its advisers to take the necessary steps to fulfill the Resumption Conditions imposed by the Stock Exchange as set out in the announcement dated 10 July 2015 and, for such purpose, obtaining comments or opinions from its advisers. As at the date of this announcement, the Forensic Accountant is still in the process of conducting the Forensic Investigation.

The Company will make further announcement of any material development on the above matters as and when appropriate.

(2) DELAY IN PUBLICATION OF 2014 ANNUAL RESULTS, 2015 INTERIM RESULTS AND 2015 ANNUAL RESULTS AND DESPATCH OF 2014 ANNUAL REPORT, 2015 INTERIM REPORT AND 2015 ANNUAL REPORT

HLB Hodgson Impey Cheng Limited is in the course of performing their audit work on the Group and additional time is required before the 2014 Annual Results, 2015 Interim Results, 2015 Annual Results, 2014 Annual Report, 2015 Interim Report and 2015 Annual Report are ready. The Board therefore wishes to inform the shareholders of the Company that the publication of the 2014 Annual Results, 2015 Interim Results, 2015 Annual Results, and the despatch of the 2014 Annual Report, 2015 Interim Report and 2015 Annual Report will be further delayed. Further announcement(s) will be made to inform the shareholders of the Company on the date of release of the above as and when appropriate.

(3) RESIGNATIONS OF NON-EXECUTIVE DIRECTORS

The Board announces the following changes:

- (i) with effect from 17 March 2016, Dr. Du has resigned as a non-executive director, the chairman of the Compliance Committee and a member of the Nomination Committee;
- (ii) with effect from 1 April 2016, Mr. Goh has resigned as a non-executive director and a member of the Audit Committee;
- (iii) with effect from 29 March 2016, Mr. Cai has been appointed as a member of the Nomination Committee;
- (iv) with effect from 29 March 2016, Mr. Liu has been appointed as a member of the Audit Committee and the Compliance Committee;
- (v) with effect from 29 March 2016, Mr. Li has been appointed as the chairman of the Compliance Committee; and
- (vi) with effect from 29 March 2016, Mr. Zhang has been appointed as a member of the Compliance Committee.

The board (“**Board**”) of directors (“**Directors**”) of the Company hereby announces that the Board received a letter dated 7 March 2016 (“**the Resignation Letter**”) from Mr. Goh Kay Seng Edwin (“**Mr. Goh**”), a non-executive director of the Company, by which Mr. Goh resigned with effect from 1 April 2016 from the position as a non-executive director of the Company and a member of the Audit Committee of the Board. In the Resignation Letter, Mr. Goh stated that he had initially attempted to take an active role in the inquiry of the allegations that were made by the Company’s auditors. However, he considered that there was a perceived lack of independence on his designation as a non-executive director (as opposed to an independent non-executive director) which in turn raised questions over the appropriateness of his involvements in the inquisition. As such, Mr. Goh is of the opinion that his resignation is the best option for himself and for the Board.

Mr. Goh has confirmed that he has no disagreement with the Board. Save as disclosed above, the Board considers that there is no other matter in relation to the resignation of Mr. Goh that requires to be brought to the attention of the shareholders of the Company and the Stock Exchange.

The Board further announces that the Board received a letter dated 17 March 2016 from Dr. Ying Du (“**Dr. Du**”), a non-executive director of the Company, by which Dr. Du resigned with effect from 17 March 2016 from the position as a non-executive director of the Company, the chairman of the Compliance Committee of the Board and a member of the Nomination Committee of the Board due to the need to devote more time to her personal affairs.

Dr. Du has confirmed that she has no disagreement with the Board and the Board considers that there is no other matter relating to her resignation that requires to be brought to the attention of the shareholders of the Company and the Stock Exchange.

The Board hereby expresses its gratitude to Mr. Goh and Dr. Du for their valuable contribution to the Company during their terms of office.

(4) CHANGE IN COMPOSITION OF THE AUDIT COMMITTEE, THE NOMINATION COMMITTEE AND THE COMPLIANCE COMMITTEE

Following the resignations of Mr. Goh and Dr. Du, the Board announces that:

- (1) Mr. Cai Huiyi, an independent non-executive director, has been appointed as a member of the Nomination Committee of the Board with effect from 29 March 2016;
- (2) Mr. Liu Zhanmin, an independent non-executive director, has been appointed as a member of the Audit Committee of the Board and a member of the Compliance Committee of the Board with effect from 29 March 2016;
- (3) Mr. Li Jun, an executive director and originally a member of the Compliance Committee, has been appointed as the chairman of the Compliance Committee of the Board with effect from 29 March 2016; and

- (4) Mr. Zhang Suqiang, an independent non-executive director, has been appointed as a member of the Compliance Committee of the Board with effect from 29 March 2016.

Upon the above changes:

- (1) the Audit Committee of the Board is composed of 3 independent non-executive directors, namely Mr. Cai Huiyi, Mr. Liu Zhanmin and Mr. Zhang Suqiang;
- (2) the Nomination Committee of the Board is composed of 3 independent non-executive directors, namely Mr. Cai Huiyi, Mr. Liu Zhanmin and Mr. Zhang Suqiang; and
- (3) the Compliance Committee of the Board is composed of 1 executive director, namely Mr. Li Jun, and 2 independent non-executive directors, namely Mr. Liu Zhanmin and Mr. Zhang Suqiang.

(5) CONTINUAL SUSPENSION OF TRADING

At the request of the Company, the shares of the Company have been suspended from trading on the Stock Exchange from 9 a.m. on 30 March 2015. Trading in the Company's shares will continue to suspend until further notice.

By order of the Board
China Animal Healthcare Ltd.
Wang Yangang
*Chairman, Executive Director
and Chief Executive Officer*

Hong Kong, 5 April 2016

As at the date of announcement, the executive Directors are Mr. Wang Yangang, Mr. Li Jun and Ms. Song Yanmei; and the independent non-executive Directors are Mr. Cai Huiyi, Mr. Liu Zhanmin and Mr. Zhang Suqiang.

** For identification purpose only*