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The Offer to Purchase and related documents do not constitute an offer to buy or the solicitation of an offer to sell Notes in any circumstances in which such offer is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of the Company by one or more registered brokers or dealers licensed under the laws of such jurisdiction. Neither the delivery of this Offer to Purchase and related documents nor any purchase of Notes will, under any circumstances, create any implication that the information contained therein is current as of any time subsequent to the date of such information.



Hua Han Health Industry Holdings Limited

華瀚健康產業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 587)

US\$150,000,000 7% SENIOR NOTES DUE 2019

(Stock Code: 5676)

OFFER TO PURCHASE FOR CASH

ANY AND ALL OUTSTANDING 7.00% SENIOR NOTES DUE 2019

Reference is made to (i) the Note Issue Announcement; (ii) the Audit Progress Announcement; (iii) the Offer IBC Announcement; and (iv) the Investigator Announcement. This announcement is made pursuant to Rule 13.09 and Rule 37.47B(a) of the Listing Rules 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).

THE OFFER TO PURCHASE THE SENIOR NOTES

On 29 November 2016, the Company commenced an offer to purchase for cash any and all of the outstanding Senior Notes from each Holder. The Offer is being made as a result of the occurrence of an Opinion Triggering Event as set out in the Indenture. The Opinion Triggering Event occurred as the Company failed to obtain an unqualified opinion from a firm of independent accountants that the audited financial statements for the year ended 30 June 2016, to be filed with the Stock Exchange by 31 October 2016, give a true and fair view of the financial position, financial performance and cash flows of the Company as of and for the year ended 30 June 2016.

The Senior Notes are listed on the Stock Exchange. The ISIN number of the Senior Note is XS1400616972 and the common code is 1400061697. As of the date of this announcement, the entire principal amount of the Senior Notes is outstanding.

Subject to the terms and conditions of the Offer, the Company offers to purchase for cash any and all of the outstanding Senior Notes for a purchase price equal to US\$1,010 for each US\$1,000 principal amount of Senior Notes validly tendered by the Holders prior to the Expiration Time pursuant to the Offer (which represents 101% of the aggregate principal amount of the Senior Notes) plus accrued and unpaid interest and Additional Amounts (as defined in the Indenture), if any, to, but not including, the Offer to Purchase Payment Date (the “**Consideration**”).

The Company expressly reserves the right at any time or from time to time, subject to applicable law, to (i) extend the Offer and retain the Senior Notes that have been tendered during the period for which the Offer is extended; (ii) amend the terms of the Offer in any respect; and/or (iii) terminate the Offer and authorise the return of the Senior Notes to the tendering Holders and the unblocking of the Senior Notes in the relevant accounts maintained at the Clearing Systems.

THE EXPECTED TIMETABLE

The Offer commenced on 29 November 2016 and will expire at the Expiration Time, unless otherwise extended by the Company. The Company may, but does not presently intend to, extend the Expiration Time.

The Offer to Purchase Payment Date on which the payment of the Consideration on the Senior Notes that have been validly tendered (and not withdrawn) will be made, is expected to be 25 January 2017, being the third Business Day in London following the Expiration Time.

SOURCES OF FUNDS

The Company intends to utilise one or more of (i) its available cash resources; or (ii) borrowings under the Company’s existing credit facilities to finance the purchase of the Senior Notes. The Board believes that the Company’s solid financial position will enable it to conduct the repurchase while maintaining sufficient resources for the continued growth of the Company’s operation.

TENDER AGENT

For a detailed statement of the terms and conditions of the Offer, Holders should refer to the Offer to Purchase and its related documents. The Company has retained Citibank, N.A., London Branch, to act as the tender agent for the Offer. The Tender Agent and its respective affiliates or agents may contact the Holders regarding the Offer and may request brokerage houses, custodians, nominees, fiduciaries and others to forward the Offer to Purchase and related materials to the Holders. The Tender Agent will be able to provide copies of the Offer to Purchase and any other documents related to the Offer. Any questions regarding the Offer from the Holders should be directed to the Tender Agent at the address and telephone numbers as set forth in the Offer to Purchase.

PURPOSE OF OFFER

This Offer is being made as a result of the occurrence of an Opinion Triggering Event as set out in the Indenture. As disclosed in Note Issue Announcement, if the Company experiences certain triggering events (the “**Triggering Event(s)**”) as set out in the Indenture, the Company will be required to make an offer to repurchase all the outstanding Senior Notes within 30 days of such Triggering Event at a purchase price which equals to 101% of the principal amount of the Senior Notes plus accrued and unpaid interest and Additional Amounts (as defined in the Indenture), if any, up to but not including the date of such repurchase. The Triggering Events include, among others, the Opinion Triggering Event which occurred as the Company failed to obtain an unqualified opinion from a firm of independent accountants that the audited financial statements for the year ended 30 June 2016, to be filed with the Stock Exchange by 31 October 2016, give a true and fair view of the financial position, financial performance and cash flows of the Company as of and for the year ended 30 June 2016. As at the date of this announcement, the Independent Board Committee has been formed and an independent third party investigator has been engaged by the Company to investigate the issues and matters referred to in the Letters.

THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, THE SENIOR NOTES. AN OFFER MAY ONLY BE MADE PURSUANT TO THE TERMS OF THE OFFER TO PURCHASE.

The Offer is not being made to (nor will the tender of Senior Notes be accepted from or on behalf of) Holders in any jurisdiction where the making or acceptance of the Offer would not comply with the laws of such jurisdiction. If the Company becomes aware of any jurisdiction in which the making of the Offer, the tender of Senior Notes would not be in compliance with applicable laws, the Company may or may not, in its sole discretion, make an effort to comply with any such law. If, after such effort (if any), the Company cannot comply with any such law, the Offer will not be made to (nor will tenders be accepted from or on behalf of) any Holder residing in such jurisdiction.

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

SUSPENSION OF TRADING

At the request of the Company, trading in the shares (stock code: 00587) and debt securities (stock code: 05676) of the Company has been suspended on the Stock Exchange since 9:00 a.m. on Tuesday, 27 September 2016, and shall remain suspended until further notice.

DEFINITIONS

The following defined terms are used in this announcement:

“Audit Progress Announcement”	the announcement of the Company dated 30 September 2016 in relation to the delay in publication of annual results of the Group for the year ended 30 June 2016
“Board”	the board of directors of the Company
“Business Day”	any day other than a Saturday, Sunday or other day on which commercial banking institutions are authorised or required to close in New York, London or Hong Kong
“Clearing Systems”	Euroclear Bank S.A./N.V. and Clearstream Banking, S.A.
“Company”	Hua Han Health Industry Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Expiration Time”	4:00 p.m., London time , on 20 January, 2017
“Group”	the Company and its subsidiaries
“Holder(s)”	person(s) who is/are shown on the records of the applicable Clearing System as holder(s) of the Senior Notes
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the indenture dated as of 16 June 2016 to govern the Senior Notes entered into between the Company, the Subsidiary Guarantors as subsidiary guarantors and Citicorp International Limited as trustee
“IBC Announcement”	the announcement of the Company dated 19 October 2016 in relation to the establishment of independent board committee
“Investigator Announcement”	the announcement of the Company dated 21 November 2016 in relation to the appointment of an independent third party investigator
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Note Issue Announcement”	the announcement of the Company dated 10 June 2016 in relation to the issue of Senior Notes

“Offer”	the offer to purchase for cash any and all of the outstanding Senior Notes from each Holder
“Offer to Purchase”	the offer to purchase dated 29 November 2016 issued by the Company to the Holders in connection with the Offer
“Offer to Purchase Payment Date”	a date promptly following the Expiration Time, which is expected to be 25 January 2017, being the third Business Day in London following the Expiration Time
“Opinion Triggering Event”	failure by the Company to obtain an unqualified opinion from a firm of independent accountants that the audited financial statements for the year ended 30 June 2016, to be filed with the Stock Exchange by 31 October 2016, give a true and fair view of the financial position, financial performance and cash flows of the Company as of and for the year ended 30 June 2016
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Senior Notes”	the US\$150,000,000 7% senior notes due 2019 issued by the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	certain subsidiaries of the Company which guarantees the obligations of the Company under the Indenture and the Senior Notes
“Tender Agent”	Citibank, N.A., London Branch
“United States”	the United States of America
“ US\$”	US dollar(s), the lawful currency of the United States
%	per cent.

By Order of the Board of
Hua Han Health Industry Holdings Limited
Zhang Peter Y.
Chairman

Hong Kong, 29 November 2016

As at the date of this announcement, the Board comprises Mr. Zhang Peter Y., Mr. Deng Jie, Mr. Zhou Chong Ke, Mr. Chen Lei and Mr. Luo Zhan Biao as executive Directors, Mr. Tarn Sien Hao as non-executive Director, and Professor Lin Shu Guang, Professor Zhou Xin and Mr. Tso Sze Wai as independent non-executive Directors.