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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)

UPDATE ANNOUNCEMENT ON THE RESUMPTION PROGRESS

This announcement is made by Hua Han Health Industry Holdings Limited (the “**Company**“, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to (1) the Resumption Conditions Announcement in relation to the conditions imposed by the Stock Exchange on the Company in respect of the resumption of trading in the shares of the Company on the Stock Exchange; (2) the announcements of the Company dated 7 February 2017 and 28 February 2017 in relation to the appointment of Grant Thornton as the independent third party investigator; (3) the announcement of the Company dated 7 June 2017 in relation to the engagement of ZHONGHUI as the auditors of the Company; (4) the announcements of the Company dated 19 July 2017, 24 August 2017 and 26 September 2017 (the “**September Update Announcement**”) in relation to the update on the resumption progress; and (5) the announcement of the Company dated 3 October 2017 in relation to the delay in the publication of the 2016/2017 Annual Results and despatch of the 2016/2017 Annual Report (the “**3 October Announcement**”). Unless the context otherwise requires, the capitalised terms used in this announcement shall have the same meanings as those defined in the 3 October Announcement.

UPDATE ON WORK PROGRESS OF INDEPENDENT THIRD PARTY INVESTIGATOR

As disclosed in the Company’s announcements dated 19 July 2017, 24 August 2017 and the September Update Announcement, Grant Thornton is working on the Investigation. The detailed scope of the Investigation was set out in the announcement of the Company dated 28 February 2017.

Grant Thornton has been conducting interviews with the key customers, suppliers and respective tax authorities.

UPDATE ON AUDIT PROGRESS

As disclosed in the Company’s announcement dated 7 June 2017, 19 July 2017, 24 August 2017 and the September Update Announcement, ZHONGHUI, has commenced the audit work in May 2017 in respect of the 2015/2016 Annual Results.

ZHONGHUI has been conducting interviews with the Group's major customers, major suppliers, suppliers of property, plant and equipment, contractors, personnel of relevant tax authorities and personnel of major banks.

TIMELINE FOR COMPLETION OF INVESTIGATION AND PUBLICATION OF OUTSTANDING FINANCIAL RESULTS

The Company would like to announce that the process of providing all necessary documents and information to Grant Thornton and ZHONGHUI to perform and complete the Investigation and the audit procedures on the 2015/2016 Annual Results is still ongoing. Based on the current progress, the expected time for completion of the Investigation and the publication of the Outstanding Financial Results is set out below.

Expected timeline:

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| Completion of the Investigation | In the fourth quarter of the calendar year of 2017 |
| Publication of the 2015/2016 Annual Results, and address audit qualifications (if any) | In the fourth quarter of the calendar year of 2017, subject to the findings of the Investigation |
| Publication of the 2016/2017 Interim Results | In the first quarter of the calendar year of 2018, subject to the findings of the Investigation |
| Publication of the 2016/2017 Annual Results, and address audit qualifications (if any) | In the first quarter of the calendar year of 2018, subject to the findings of the Investigation |
| Publication of the annual reports of the Company for each of the years ended 30 June 2016 and 2017, and the interim report of the Company for the six months ended 31 December 2016 | In the first quarter of the calendar year of 2018, subject to the findings of the Investigation |

Note: The expected timeline above is indicative only and may be further revised depending on the circumstances.

The Company has been actively undertaking the necessary actions to fulfil each of the resumption conditions imposed by the Stock Exchange. The Company is working closely with Grant Thornton and ZHONGHUI to ensure that the progress of their work will adhere to the above timeline.

The Company will publish further announcement(s) to update the shareholders of the Company and the public as and when appropriate.

CONTINUED SUSPENSION OF TRADING

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

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

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

Hong Kong, 26 October 2017

As at the date of this announcement, the Board comprises Mr. Zhang Peter Y., Mr. Deng Jie, Mr. Zhou Chong Ke, Mr. Bian Shu Guang and Ms. Niu Yi as executive Directors, Mr. Tarn Sien Hao as non-executive Director, and Professor Lin Shu Guang, Professor Zhou Xin and Mr. Chan Chun Kit as independent non-executive Directors.