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CHINA HUIYUAN JUICE GROUP LIMITED

中國滙源果汁集團有限公司*

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 1886)

UPDATE ON PROGRESS OF FULFILMENT OF RESUMPTION CONDITIONS

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

Reference is made to the announcement of the Company dated 29 March 2018 and 11 June 2018. Capitalised terms used but not otherwise defined herein shall have the same meanings as that ascribed to them in the aforesaid announcements.

The Company wishes to provide shareholders and potential investors of the Company with the following update on the fulfilment by the Company of the Resumption Conditions:

A. Progress on the Independent Investigation

As set out in the Company’s announcement dated 11 June 2018, the IBC has appointed Grant Thornton Advisory Services Limited (“**Independent Forensic Accountant**”) as the independent forensic accountant to conduct the Independent Investigation in relation to the Relevant Loans. The scope of the Independent Investigation include:

- (a) reviewing the relevant accounting documents, agreements, correspondences and other supporting documents, and conducting confirmation procedures with the relevant parties regarding the Relevant Loans;
- (b) interviewing the Company’s management, directors, and relevant employees as well as other relevant persons involved;

- (c) reviewing internal control documentation and procedures of the Group regarding connected transactions, and the internal control procedures regarding treasury operations; and
- (d) carrying out computer forensics over the Group's relevant electronic records and analyzing the information related to the Relevant Loans.

As at the date of this announcement, the Independent Investigation, including discussions between the Company and the Independent Forensic Accountant and the analysis of information requested by and provided to the Independent Forensic Accountant, is in progress and continuing. Based on the latest discussion progress between the Independent Forensic Accountant and the Company, the Company expects the Independent Investigation to be substantially completed, subject to the finalization of certain essential investigation procedures, by 31 August 2018.

B. Progress on the Independent Internal Control Review

As further set out in the Company's announcement dated 11 June 2018, the IBC has appointed Baker Tilly Hong Kong Risk Assurance Limited ("**Internal Control Consultant**") as an independent internal control consultant to conduct the Independent Internal Control Review of the Company's internal control systems.

The scope of the Independent Internal Control Review includes a review of the Group's overall corporate governance environment, and the Group's internal control processes including revenue and receipts, purchases and payments, inventory management, capital expenditure management, operating expenses and payments, human resources and payroll management, treasury management (including cash management), financial reporting, tax reporting and payments, related parties transactions management, licensing and regulatory compliance management, insurance management, research and development and patent management cycle, trademarks and intellectual property rights, as well as information technology general controls.

Based on the latest discussion progress between the Internal Control Consultant and the Company, the Company understands that fieldwork of the Independent Internal Control Review is substantially complete. The Internal Control Consultant is in the midst of finalising its findings and the Company is in discussion with the Internal Control Consultant on the appropriate remedial actions and the relevant internal control measures to be implemented within the Group. After taking into consideration of the aforesaid, the Company expects to the Independent Internal Control Review to be finalized by 31 August 2018.

The Company will keep its shareholders and potential investors informed of any material development in connection with the above matters, including summaries of the final results of the Independent Investigation and the Independent Internal Control Review, by way of further announcements as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares and debt securities of the Company on the Stock Exchange has been halted since 9:00 a.m. on 3 April 2018 (and automatically converted to suspension thereafter) and will remain suspended until further notice.

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

By Order of the Board
China Huiyuan Juice Group Limited
Zhu Xinli
Chairman

Beijing, 1 August 2018

As at the date of this announcement, the directors of the Company are Mr. ZHU Xinli, Ms. ZHU Shengqin, Mr. CUI Xianguo and Ms. JU Xinyan as executive directors, Mr. Andrew Y. Yan and Mr. HUI Ching Lau as non-executive directors, Ms. ZHAO Yali, Mr. SONG Quanhou, Mr. LEUNG Man Kit and Mr. WANG Wei as independent non-executive directors.

* *For identification purposes only*