

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

QUARTERLY 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 and Rules 13.24A 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 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; (2) the announcement of the Company dated 7 June 2017 in relation to the engagement of ZHONGHUI as the auditors of the Company; (3) the announcements of the Company dated 19 July 2017, 24 August 2017, 26 September 2017, 26 October 2017, 29 November 2017, 29 December 2017, 31 January 2018, 28 February 2018, 29 March 2018, 3 May 2018, 1 June 2018, 6 July 2018, 1 August 2018, 9 August 2018 and 21 September 2018 in relation to the update on the resumption progress; and (4) 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. Unless the context otherwise requires, the capitalised terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated 21 September 2018.

BUSINESS OPERATION

The Group principally operates in two business segments, including: (i) pharmaceutical product business, which involves the research and development, manufacture, sales and trading of pharmaceutical products; and (ii) hospital related business, which involves the operating and investing in hospitals and trading of pharmaceutical products, medical consumables and medical devices to hospitals. The Group continued its normal business operations since suspension of trading in the Company’s shares and debt securities. Since 9 August 2018 and up to the date of this announcement, there has been no major change on the business operation of the Group.

UPDATE ON THE TIMELINE IN FULFILLING THE RESUMPTION CONDITIONS

The following table sets forth the pending events and update in the expected timetable for resumption of trading in the shares of the Company:

Key event	Timetable
Announcement of the findings of the Investigation	Subject to further assessment by the Board
Publication of the 2016/2017 Interim Results and 2015/2016 Annual Results	Subject to further assessment by the Board
Publication of:	Subject to further assessment by the Board
(i) the 2016/2017 Annual Results; and	
(ii) the 2017/2018 Interim Results	
Resumption of trading in the shares of the Company	Subject to further assessment by the Board

As disclosed in the Company's announcements dated 19 July 2017, 24 August 2017, 26 September 2017, 26 October 2017, 29 November 2017, 29 December 2017, 31 January 2018, 28 February 2018, 29 March 2018, 3 May 2018, 1 June 2018, 6 July 2018, 1 August 2018, 9 August 2018 and 21 September 2018, 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.

The delay of the expected publication of the announcement of the findings of the Investigation was due to the delay of completion of certain procedures of the Investigation.

The Company is working closely with Grant Thornton to complete the Investigation and to publish the announcement of the findings of the Investigation as soon as possible.

As disclosed in the Company's announcement dated 7 June 2017, 19 July 2017, 26 September 2017, 26 October 2017, 29 November 2017, 29 December 2017, 31 January 2018, 28 February 2018, 29 March 2018, 3 May 2018, 1 June 2018, 6 July 2018, 1 August 2018, 9 August 2018 and 21 September 2018, ZHONGHUI has commenced the audit work in May 2017 in respect of the 2015/2016 Annual Results.

The audit procedures for the 2015/2016 Annual Results and the 2016/2017 Annual Results are still ongoing. Meanwhile, the unaudited 2016/2017 Interim Results and 2017/2018 Interim Results are still being prepared by the Company. Due to (1) the delay in the completion of the Investigation; and (2) the publication of the 2016/2017 Interim Results and the 2015/2016 Annual Results is subject to the Investigation, the publication of the 2016/2017 Interim Results and the 2015/2016 Annual Results is delayed accordingly.

The publication of the Outstanding Financial Results will be subject to the findings of the Investigation. As at the date of this announcement, ZHONGHUI has obtained more than half of the external audit confirmations in relation to its audit procedures for the 2015/2016 Annual Results, and the Company is in the process of providing documents to ZHONGHUI for the audit of the Outstanding Financial Results.

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. Since the Company is still in the process of fulfilling the Resumption Conditions, the trading in the Company's shares and debt securities 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, 9 November 2018

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