

*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.*



**CHINA HUIZHAN DAIRY HOLDINGS COMPANY LIMITED  
(PROVISIONAL LIQUIDATORS APPOINTED)**

**中國輝山乳業控股有限公司  
(已委任臨時清盤人)**

*(Incorporated in Cayman Islands with limited liability)  
(Stock code: 06863)*

**UPDATE ON SUSPENSION OF TRADING**

Reference is made to the announcements of China Huishan Dairy Holdings Company Limited (Provisional Liquidators Appointed) (the "**Company**", together with its subsidiaries, the "**Group**") (i) dated 28 November 2017 and 27 December 2017 regarding the appointment of bankruptcy administrators to two PRC-incorporated subsidiaries of the Company; (ii) dated 27 March 2018 and 4 October 2018 regarding the placing of the Company into the first and second delisting stage respectively and the conditions imposed by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on the Company for the resumption of trading of its shares; and (iii) dated 31 May 2018, 6 August 2018, 6 November 2018 and 8 February 2019 regarding updates on the suspension of trading (collectively the "**Announcements**"). Unless the context otherwise requires, the capitalised terms used herein shall have the same meanings as defined in the Announcements.

**UPDATE ON BUSINESS OPERATIONS OF THE GROUP**

As mentioned in the Company's announcements dated 6 August 2018, 6 November 2018 and 8 February 2019, (i) the Local Court in the PRC ordered that the administrations of 83 PRC subsidiaries be administered on a consolidated basis; (ii) the Administrators issued a notice inviting the submission of restructuring proposals involving the aforementioned 83 PRC subsidiaries; and (iii) the existing PRC management submitted to the Administrators a restructuring proposal covering the aforementioned 83 PRC subsidiaries ("**PRC Proposal**") which provided, among other things, that assets/ shares of the aforementioned 83 PRC subsidiaries would be injected into a new company to be set up ("**Newco**") and the liabilities of the aforementioned 83 PRC subsidiaries would be compromised through (i) cash repayment; and/ or (ii) debt re-scheduling; and/or (iii) debt to equity swap (for shares in Newco).

The existing PRC management made certain amendments to the PRC Proposal and the Administrators circulated on 1 March 2019 a finalized draft PRC restructuring proposal ("**March 2019 Proposal**"), whose salient features were materially the same as those of the PRC Proposal.

The Administrators arranged for an on-line vote by the creditors and contributories of the aforementioned 83 PRC subsidiaries on the March 2019 Proposal to be held on 13 March 2019. If the March 2019 Proposal were to be approved by the creditors and contributories and thereafter implemented, the aforementioned 83 PRC subsidiaries/ their assets would be carved out from the Group.

During the meeting/on-line voting on 13 March 2019, the Administrators advised that certain creditors, who were unable to vote that day on the March 2019 Proposal, would have another chance to vote on 11 April 2019. On 12 April 2019, the Administrators announced that, among other things, the March 2019 Proposal did not obtain the approval of the requisite majority of certain classes of creditors.

The Administrators further advised that, in accordance with the PRC Enterprise Bankruptcy Law, further negotiations could take place with the relevant classes of creditors to seek their approval. In addition, the Administrators advised that preliminary interest in participating in a restructuring of the aforementioned 83 PRC subsidiaries had been expressed by several PRC dairy product manufacturers and that the Administrators would enter into negotiations with them, which if successful, could lead to the formulation of a revised restructuring proposal, which would then be subject in due course to a vote by the creditors and contributories.

As of the date of this announcement, however, the Administrators have not provided any details regarding a further vote on the March 2019 Proposal and/ or any revised or new restructuring proposal.

#### **UPDATE ON RESUMPTION CONDITIONS**

Reference is made to the Company's announcements dated 27 March 2018, 31 May 2018, 6 August 2018, 6 November 2018 and 8 February 2019 where, among other things, it was stated that the Joint Provisional Liquidators had been in exploratory discussions with various parties regarding the possibility of a restructuring of the Company and/or its subsidiaries and regarding options available to the Company to formulate a viable resumption proposal. This process is still underway and further announcements will be made by the Company if and when appropriate.

Reference is also made to the Company's announcements dated 27 March 2018 and 4 October 2018 in which, among other things, it was stated that the Company had been placed into the first and second delisting stages. The first delisting stage expired on 26 September 2018 and the second delisting stage expired on 26 March 2019.

On 3 May 2019, the Company received a letter from the Stock Exchange, stating that it had decided to place the Company into the third delisting stage under Practice Note 17 to the Listing Rules and that the third delisting stage shall commence on 16 May 2019 and shall expire on 15 November 2019.

The Company is required to submit a viable resumption proposal to the Stock Exchange at least 10 business days before the expiry of the third delisting stage (i.e. by 1 November 2019) to demonstrate that the Company has sufficient operations or assets as required under Rule 13.24 of the Listing Rules. If no viable resumption proposal is submitted by the end of the third delisting stage, the Company's listing will be cancelled.

Under Rule 2B.06(1) of the Listing Rules, the Company has the right to have such a ruling reviewed by the Listing Committee of the Stock Exchange. At the appropriate time the Company would consider relevant factors pertaining to the prospect of reviewing any such ruling and would act appropriately.

## **CONTINUED SUSPENSION OF TRADING**

Reference is made to the Company's announcement dated 8 May 2017, in which it was stated, among other things, that on 8 May 2017 the Company had received a notice from the Securities and Futures Commission ("SFC") that the SFC had exercised its power under Rule 8(1) of the Securities and Futures (Stock Market Listing) Rules to direct the Stock Exchange to suspend trading in the shares of the Company with effect from 9:00 a.m. on 8 May 2017.

Trading in the shares of the Company will remain suspended until further notice and until full satisfaction of the resumption conditions, including those mentioned in the announcement of the Company dated 4 October 2018 and any other further conditions, or modifications to the existing conditions, that may be imposed by the Stock Exchange.

For and on behalf of  
**China Huishan Dairy Holdings Company Limited**  
**(Provisional Liquidators Appointed)**  
**Lai Kar Yan (Derek)**  
**Yeung Lui Ming (Edmund)**  
**Stuart Sybersma**  
*Joint Provisional Liquidators*

Hong Kong, 8 May 2019

*As at the date of this announcement, the board of directors of the Company comprises Mr. Yang Kai as an executive director and Mr. Chung Wai Man as an independent non-executive director.*