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TIAN YUAN HEALTHCARE

天元医疗

**CHINA TIAN YUAN HEALTHCARE GROUP LIMITED**

**中國天元醫療集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 557)**

**FURTHER DELAY IN PUBLICATION OF 2019 ANNUAL RESULTS  
AND DESPATCH OF 2019 ANNUAL REPORT AND  
POSTPONEMENT OF 2020 ANNUAL GENERAL MEETING**

Reference is made to the announcement of China Tian Yuan Healthcare Group Limited (the “**Company**”) dated 30 March 2020 in relation to the unaudited annual results of the Company for the year ended 31 December 2019 (the “**Unaudited Annual Results Announcement**”) and 4 May 2020, 11 June 2020 and 2 July 2020 in relation to the delay in publication of audited annual results for the year ended 31 December 2019 (the “**2019 Annual Results**”), dispatch of 2019 annual report (the “**2019 Annual Report**”) and postponement of 2020 annual general meeting (“**2020 AGM**”) (the “**Delay Announcements**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Unaudited Annual Results Announcement and the Delay Announcements.

As disclosed in the Unaudited Annual Results Announcement, the auditing process for the annual results for the year ended 31 December 2019 has not been completed in light of the quarantine measures and travel restrictions imposed due to the outbreak of the novel coronavirus (COVID-19) epidemic.

Furthermore, given the rebound of infected cases of COVID-19 in recent weeks and additional preventive measures and restrictions were imposed by the HKSAR government concerning the severity of the Pandemic, the personnel of the Group and our external auditor, Moore Stephens CPA Limited (“**Moore Stephens**”) participating in audit and financial reporting was affected and thus the preparation of the 2019 Annual Results and 2019 Annual Report was also disrupted.

Whilst the audit is progressing towards its conclusion, the Company has also been informed that additional time is still required for Moore Stephens to finalize the audited figures and assess on whether there would be any potential material differences compared to unaudited figures published on 31 March 2020 with the Company as well as the potential modification on audit opinion.

In accordance with the latest discussion with Moore Stephens, the Company would like to update the shareholders that there may be material differences between audited and unaudited financial figures published in the Unaudited Annual Results Announcement dated 30 March 2020 resulted from the recoverability of royalty income from a customer of HKD9,480,000 and goodwill impairment of HKD52,000,000.

Moreover, from the update of Moore Stephens, there may be a potential modified opinion resulted from insufficient audit evidence of Korea subsidiary as well as the internal control deficiencies on loan receivables and trade and other receivables. However, the abovementioned modification is still subject to finalisation by Moore Stephens.

As a result, an application has been made to the Stock Exchange for a waiver from strict compliance with Rule 13.46(2)(a) of the Listing Rules and “*Further Guidance on the Joint Statement in relation to results announcements in light of the COVID-19 Pandemic*” (the “**Statement**”) issued by the Securities and Futures Commission and the Stock Exchange dated on 16 March 2020 about the defer on the publication of its annual report initially for up to 60 days from the date of the Statement to further extend the deadline for the publication of 2019 Annual Results and the dispatch of 2019 Annual Report to a date falling on or before 21 August 2020.

### **Postponement of 2020 AGM**

Pursuant to Rule 13.46(2)(b) of the Listing Rules, the Company is required to lay its audited financial statements for the year ended 31 December 2019 before its shareholders at its annual general meeting within a period of 6 months after such financial year end (i.e. 30 June 2020). Also, pursuant to the Company’s articles of association (the “**Article**”), the Company shall in each year hold a general meeting as its AGM and not more than fifteen months shall elapse between one AGM and that of the next (i.e. 28 September 2020, given that the last AGM was held on 28 June 2019). However, due to the delay in publication of the 2019 Annual Results and the dispatch of 2019 Annual Report on or before 21 August 2020, the 2020 AGM should be hence postponed to a date falling on or before 25 September 2020. The Company considers that the delay in publication of the 2019 Annual Results and the dispatch of 2019 Annual Report and the postponement of 2020 AGM will not contravene the relevant requirements under the laws and regulations in Cayman Islands and the Article. The Company has made an application to the Stock Exchange for a waiver from strict compliance with Rule 13.46(2)(b) of the Listing Rules.

The revised expected timeline for the key events in relation to the publication of 2019 Annual Results, dispatch of 2019 Annual Report and 2020 AGM is set out as follows:

Finalisation of audited figures for the year ended 31 December 2019	on or before 7 August 2020
Audit committee and board review on 2019 Annual Results and 2019 Annual Report	on or before 14 August 2020
Date of audit committee meeting and board meeting	on or before 21 August 2020
Publication of 2019 Annual Results	on or before 21 August 2020
Dispatch of 2019 Annual Report	on or before 21 August 2020
2020 AGM	on or before 25 September 2020

Further announcement(s) will be made by the Company as and when necessary in case of any other material development in the completion of the auditing process and the publication of the 2019 Annual Results and the 2019 Annual Report and the date of the 2020 AGM.

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

By order of the board  
**China Tian Yuan Healthcare Group Limited**  
**Zhang Xian**  
*Executive Director*

Hong Kong, 31 July 2020

*As at the date of this announcement, the Board is composed of eight directors of which Mr. Wang Huabing (chairman) and Ms. Zhang Xian are the executive directors, Ms. He Mei, Mr. Zhang Yupeng and Mr. Zhou Yuan are the non-executive directors and Mr. Hu Baihe, Mr. Yuen Kwok Kuen and Mr. Guo Jingbin are the independent non-executive directors.*