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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)

QUARTERLY UPDATE ON PROGRESS OF FULFILMENT OF RESUMPTION CONDITIONS AND UPDATES ON THE COURT HEARING AND THE HEARING OF THE LRC REVIEW

This announcement is made by the board of directors (the “**Board**”) of China Huiyuan Juice Group Limited (the “**Company**”) pursuant to Rules 13.09(2), 13.24A and 13.25 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**Inside Information Provisions**”).

Reference is made to the announcements of the Company dated 3 April 2018, 19 April 2018, 30 April 2018, 31 May 2018, 11 June 2018, 29 June 2018, 1 August 2018, 31 August 2018, 6 November 2018, 1 February 2019, 31 March 2019, 7 May 2019, 6 August 2019, 24 October 2019, 8 November 2019, 2 December 2019, 31 January 2020, 14 February 2020, 24 February 2020, 17 March 2020, 31 March 2020, 14 May 2020, 25 May 2020 and 4 August 2020 (collectively, the “**Prior Announcements**”). Capitalised terms used but not otherwise defined herein shall have the same meanings as those used in the Prior Announcements.

UPDATE ON PROGRESS OF FULFILMENT OF RESUMPTION CONDITIONS

To apply for resumption of trading in the shares of the Company on the Stock Exchange, the Company shall fulfill the Resumption Conditions as set out in the announcement of the Company dated 11 June 2018, being to:

1. conduct a forensic investigation into the Relevant Loans, announce the findings and take appropriate remedial actions;
2. conduct an independent internal control review and demonstrate that the Company has put in place adequate internal control systems;

3. demonstrate that there is no reasonable regulatory concern about management integrity;
4. publish all outstanding financial results and address any audit modifications; and
5. inform the market of all material information of the Company.

Of these five Resumption Conditions, the Board is of the view that as of the date of this announcement, only Resumption Condition 4, i.e. to publish all outstanding financial results and address any audit modifications (the “**Outstanding Audited Accounts**”), remains outstanding and the other Resumption Conditions have been fulfilled.

Regarding Resumption Condition 1, the Independent Forensic Accountant has completed the Independent Investigations and Additional Procedures and the respective key findings of the Independent Investigation and the Additional Procedures have been disclosed in the announcements of the Company date 31 January 2020 and 14 April 2020 respectively. The Board has endorsed all the findings of the Independent Investigations and the recommendations of the IBC (including the remedial actions). The IBC has confirmed that all the recommended remedial measures relating to the results of the Independent Investigation have been substantively implemented. Accordingly, the Board is of the view that this Resumption Condition has been fulfilled.

Regarding Resumption Condition 2, the Independent Internal Control Review has been completed by the Independent Internal Control Consultant and the relevant key findings were published in the Company’s announcement dated 28 February 2020. The Board has endorsed all the findings of the Independent Internal Control Review and the recommendations of the Independent Internal Control Consultant and the IBC (including the remedial actions recommended by the Independent Internal Control Consultant and the IBC). The IBC has confirmed that all the recommended remedial actions relating to the Independent Internal Control Review have been substantively implemented. The results of the Independent Internal Control Review have demonstrated that the Company has put in place an adequate internal control system. Accordingly, the Board is of the view that this Resumption Condition has been fulfilled.

Regarding Resumption Condition 3, no direct evidence indicating issues relating to management integrity was identified by the Independent Forensic Accountant. In any event, as set out in the announcement of the Company dated 12 February 2020, Mr. Zhu Xinli and Ms. Zhu Shengqin have resigned as executive Directors with effect from 12 February 2020. In the circumstances, the Board is of the view that this Resumption Condition has been fulfilled since it has been demonstrated that there exists no factual basis for any regulatory concern about the integrity of the existing management of the Company.

Regarding Resumption Condition 4, as set out in the announcement of the Company dated 25 May 2020, the Company has resolved on 23 May 2020 to appoint ZHONGHUI ANDA CPA Limited (“**Zhonghui**”) as the new auditor of the Company with effect from 25 May 2020. Due to the Pandemic and the corresponding measures taken in Beijing as well as between Hong Kong and mainland China, certain on-site audit field work by Zhonghui was seriously affected and resulted in a delay. The audit work in relation to the financial results for the three years ended 31 December 2017, 2018 and 2019 has been substantially completed. Zhonghui expects that the audited financial reports for the years ended 31 December 2017 and 2018 will be available around the end of this year. As to the financial results for the year ended 31 December 2019, the audit progress had been delayed as the asset valuation work was unable to be effectively carried out due to the impact of the Pandemic. Zhonghui expects that the audited financial report for the year ended 31 December 2019 will be available early next year.

The Board expects to publish the Outstanding Audited Accounts, together with the accompanying information required under the Listing Rules as soon as they have been finished. A general meeting will be held thereafter to table the accounts to the shareholders. Resumption Condition 4 will be fulfilled upon the publication of these financial results by the Company.

Regarding Resumption Condition 5, since the trading in the shares 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), the Company has duly made disclosure by way of public announcements and have complied with all its disclosure obligations under the Listing Rules and Inside Information Provisions. Save for the unavailability of the Outstanding Audited Accounts, the Company has kept the market informed of all material information of the Company. The Company will continue to update the market of all material information in a timely manner.

UPDATE ON THE WINDING UP PETITION AND THE PL APPLICATION

Reference is specifically made to the announcement of the Company dated 14 May 2020 in which it was disclosed that the hearing of the Winding Up Petition and the PL Application was adjourned to 4 August 2020. The Company wishes to update the Shareholders that the hearing of the Winding Up Petition and the PL Application was heard on 4 August 2020 with judgment reserved.

Further announcement(s) will be made to update the Shareholders on the development of the relevant court proceedings (in particular when the judgment is handed down).

UPDATE ON THE HEARING OF THE LRC REVIEW

The Company wishes to update the Shareholders that the hearing of the LRC Review will be held on 9 December 2020 and the Company is in the course of preparing the relevant materials for the hearing.

Further announcement(s) will be made to update the Shareholders on the development of the relevant hearing (in particular when the decision is handed down).

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares 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
Ju Xinyan
Chairman

Beijing, 4 November 2020

As at the date of this announcement, the directors of the Company are Ms. JU Xinyan and Mr. WANG Xinnong as executive directors and Mr. SONG Quanhou, Mr. PAK Wai Keung Martin and Mr. LEE Wen-Chieh as independent non-executive directors.

* *For identification purposes only*