

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 Health Group Limited
中國衛生集團有限公司

(Carrying on business in Hong Kong as CHG HS Limited)

(Incorporated in Bermuda with limited liability)

(Stock Code: 673)

VOLUNTARY ANNOUNCEMENT
LEGAL PROCEEDINGS AGAINST THE COMPANY

Reference is made to:

- (i) the announcements of the Company dated 8 April 2014, 30 September 2014, 15 January 2015, 30 January 2015, 15 April 2015, 30 April 2015, 30 June 2015, 28 August 2015, 15 September 2015, 18 September 2015, 30 September 2015, 13 October 2015 and 3 November 2015 and the circular of the Company dated 19 October 2015 in relation to, among other matters, the Subscription of convertible notes by each of Zheng Hua and Pacas; and
- (ii) the announcement of the Company dated 16 December 2015 (the “**Announcement**”) in relation to, among other matters, a writ of summons issued by Pacas against the Company in relation to the Claim.

Unless otherwise defined, terms used in this announcement shall have the same meanings as defined in the Announcement.

On 18 May 2016, the Court of First Instance of the High Court of Hong Kong granted a summary judgment against the Company (the “**Judgment**”), under which the Company was required to allot and issue to Pacas shares in the share capital of the Company representing the entire amount of the conversion shares of the HK\$30,000,000 convertible notes issued to Pacas by the Company pursuant to the Subscription Agreement entered into between Pacas and the Company on 8 April 2014 (as subsequently amended).

The Company is in the course of seeking legal advice on the Judgment and, depending on the legal advice received, will decide on whether to lodge an appeal against the Judgment.

Further announcement(s) will be made by the Company as and when appropriate to keep its shareholders and potential investors informed of the material developments in this matter.

By Order of the Board
China Health Group Limited
Jia Hong Sheng
Chairman

Hong Kong, 24 May 2016

As at the date of this announcement, the Board comprises six executive Directors, namely, Mr. Jia Hong Sheng (Chairman), Dr. Li Zhong Yuan, Mr. Zhou Bao Yi, Mr. Chung Ho, Mr. Wang Jingming and Mr. Zhao Kai; and four independent non-executive Directors, namely, Mr. Mu Xiangming, Mr. Jiang Bo, Dr. Yan Shi Yun and Mr. Zhao Hua.