

Dear Ms. Cui,

Anti-Aging House Ltd. (the “Company” or “A2H”)

Re: Periodic Disclosure Query

NSX has been undertaking surveillance into the financial reporting of its listed entities. As part of the surveillance, key focus has been placed on material disclosure of information useful to investors and other issuers of financial reports.

NSX has identified key differences in the financial reports lodged by the Company and noted the absence of aging analysis for the trade and other receivables which are significant to the Company’s financial position.

We refer to the 2013 to 2017 Annual and Half-Yearly Financial Reports lodged with NSX on which we have made the below observations.

23 January 2018
Anti-Aging House Holding Ltd.
Attn: Ms. Cui Qiqi
Company Secretary
C/- Potucullis TrustNet(BVI) Ltd.
Portcullis TrustNet chambers
PO BOX 3444
Road Town, Tortola
British Virgin Islands

Cc: Southasia Advisory Sdn Bhd

| Column | December 2013 Account Balance | | Variance |
|--|--|--|---------------------|
| | A* | B** | C |
| | Per 31 December 2013 Annual Report RMB | Per 31 December 2014 Annual Report RMB | Column A – Column B |
| Property, plant and equipment | 129,431 | 140,906 | (11,475) |
| Inventories | 4,243,597 | 4,570,080 | (326,483) |
| Trade receivables | 7,908,767 | 17,672,396 (Reported as Trade and other receivables) | (5,951,254) |
| Other receivables, deposits and prepayments | 3,812,375 | | |
| Cash and bank balances | 283,599 | 454,854 | (171,255) |
| Share capital | 10,001,678 | 11,407,197 | (1,405,519) |
| Accumulated losses | (7,780,750) | (3,117,086) (Reported as Retained Earnings) | (4,663,664) |
| Trade payables | 11,223,182 | 13,620,587 (Reported as Trade and other payables) | 105,657 |
| Other payables and accruals | 2,503,062 | | |
| Deposits received | 430,597 | - | 430,597 |
| Amount due to a director | - | (927,538) | 927,538 |

* A - 2013 Annual Report- Market release 24/05/2016 - [link](#)

**B - 2014 Annual Report- Market release 24/05/2016 - [link](#)

We note that there are variances between prior stated balances and those lodged in subsequent years. Please respond to the following:

1. Please explain the variance highlighted in Column C (Column A – Column B) as it is for the same reporting period being December 2013.

| Column | December 2015 Account Balance | | | Variance |
|-------------------------------|--|--|---|---------------------|
| | D* | E** | F | G |
| | Per 31 December 2015 Report RMB | Per 31 December 2016 Annual Report AUD | Per 31 December 2016 Annual Report RMB (AUD/RMB =4.74***) | Column D – Column F |
| Property, plant and equipment | 94,152 | 19,894 | 94,298 | (146) |
| Inventories | 3,888,736 | 821,690 | 3,894,811 | (6,075) |
| Trade and other receivables | 19,860,067 | 13,705,051 | 64,961,942 | (45,101,875) |
| Cash and cash equivalents | 4,330,598 | 915,055 | 4,337,361 | (6,763) |
| Issued capital | 11,407,197 | 13,348,719 | 63,272,928 | (51,865,731) |
| Accumulated losses | (5,351,805) (Reported as Retained earnings) | (1,043,167) | (4,944,612) | (407,193) |
| Trade and other payables | 18,713,764 | 3,954,218 | 18,742,993 | (29,229) |
| Amount due to a director | (3,404,397) | (719,349) | (3,409,714) | 5,317 |
| Other assets | - | 1,592,883 | 7,550,265 | (7,550,265) |
| Reserves | - | 75,454 | 357,652 | (357,652) |

*D - 2015 Annual Report- Market release 24/05/2016 - [link](#)

**E - 2016 Annual Report- Market release 03/04/2017 - [link](#)

***AUD/RMB = 4.74 as at 31/12/2015 – ref <https://www.rba.gov.au/statistics/historical-data.html#exchange-rates>

NSX notes the currency conversion from RMB to AUD in the 2016 Annual Report. Conversion Rate of AUD/RMB = 4.74 has been used in the above table to provide RMB equivalent comparison.

We note that there are variances between prior stated balances and those lodged in subsequent years. Please respond to the following:

2. Please explain the variance highlighted in Column G (Column D – Column F) as it is for the same reporting period being December 2015.
3. Is the Company aware of the variances in its financial reports for the period of 2013 and 2015 highlighted in columns C and G respectively? If yes, please advise when did the Company first aware of the discrepancy and when the Company is going to inform the market and NSX. If no, please explain what internal controls and corporate governance procedures the Company has, or proposed to take, to address this issue.

| Year | December 2016 Account Balance | June 2017 Account Balance |
|-------------------------------|---|--|
| Column | H* | I** |
| | Per 31 December 2016 Annual Report and 30 June 2017 Half-Yearly Report AUD | Per 30 June 2017 Half-Yearly Report AUD |
| Property, plant and equipment | 30,948 | 58,127 |
| Inventories | 284,110 | 513,631 |
| Trade and other receivables | 12,125,873 | 11,774,343 |
| Cash and bank balances | 538,755 | 275,934 |
| Issued capital | 13,348,719 | 13,348,719 |
| Accumulated losses | (950,906) | (863,090) |
| Trade and other payables | 1,353,478 | 1,402,575 |
| Amount due to a director | (576,336) | (581,131) |
| Other Assets | 1,318,781 | 1,855,310 |
| Reserves | (29,160) | 8,010 |

*H - 2016 Annual Report- Market release 03/04/2017 - [link](#)

**I - 2017 Half-Yearly Report- Market release 12/09/2017 - [link](#)

We note that Trade and other receivables reported for the period ended 30 June 2017 is \$11,774,343, which is 81% of the reported Total assets of \$14,477,345 (as per 2017 Half-Yearly Report Market release 12/09/2017).

4. Please provide the aging analysis of the trade and other receivables for 2016 and 2017 as follows:

| | 31 December 2016 AUD | 30 June 2017 AUD |
|-------------------|-------------------------|---------------------|
| Within 1 year | | |
| More than 1 years | | |
| Total | | |

5. Please confirm that the company is in compliance with the listing rules and, in particular, listing rule 6.4.

Your response should be sent to me directly no later than 4pm on 29th January 2018. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.

Please be reminded that the Issuer must comply with Chapter 6CA of the Corporations Act and Listing Rules Section IIA 6.4, 6.5 and 6.5A under continuous disclosure.

Listing Rule 6.4

The NSX continuous disclosure rule states:

Generally, and apart from compliance with all the specific requirements, the issuer shall keep the Exchange informed without delay, for dissemination of any information relating to the group of which it is aware that:

- is necessary to enable the Exchange and the public to appraise the financial position of the issuer and the group;
- is necessary to avoid the establishment of a false market in its securities; or
- a reasonable person would expect to have a material effect on the price or value of its securities.

Such information must be made available to the Exchange before the time at which any other public announcement of the information is made.

These provisions will be breached by an issuer who intentionally, recklessly or negligently fails to notify the Exchange of information that:

- is not generally available; and
- a reasonable person would expect, if it were generally available, to have a material effect on the price or value of its securities.

Yours sincerely

Ingrid Wei
Market Surveillance Analyst