



CHINA HEALTH INDUSTRIES HOLDINGS, INC.

Investor Presentation

October 2018

Safe Harbor Statement

This presentation contains certain statements that may include 'forward-looking statements' as defined in the Securities Act of 1933, and the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included herein are 'forward-looking statements.' Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in the Company's periodic reports that are filed with and available from the Securities and Exchange Commission. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these factors. Other than as required under the securities laws, the Company does not assume a duty to update these forward-looking statements.

Equity Snapshot

Symbol:	CHHE
Price(10/23/18):	\$0.81
Market Cap(10/23/18):	\$52.8 million
Revenue (ttm)(09/30/18)	\$5.4 million
Total Equity (09/30/18):	\$33.9 million
Shares Outstanding(09/30/18):	65.5 million
Cash per Share (09/30/18):	\$0.94
P/B Ratio:	1.6X

Investment Highlights

- **01** | Unique business model in marketing and development of hemp-based medical and health product;
- **02** | Strong R&D in anti-cancer drugs and transdermal drugs;
- **03** | Strong market demand and increasing health awareness in China;
- **04** | Diversified marketing channels and customer base;
- **05** | Strong focus on marketing network expansion;
- **06** | Enhanced corporation governance to prepare for senior exchange listing.

Company Overview

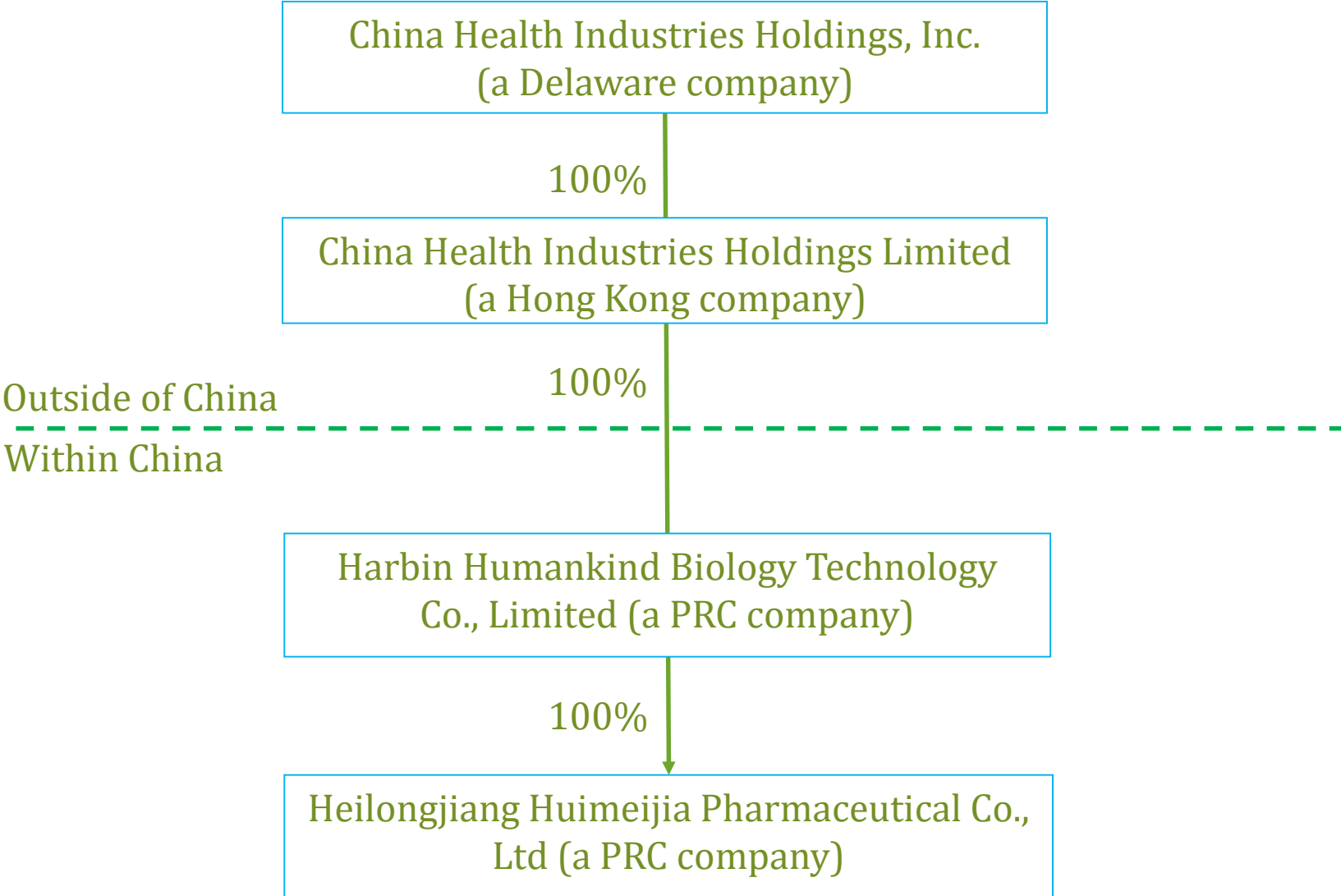


China Health Industries Holdings, Inc (“China Health”) is a vertically integrated holding company, specializing in R&D, production, marketing and distribution of medicines and health products.

China Health owns GMP certified plant and facilities and manufactures 21 CFDA approved medicines, 14 health supplement products covering 5 kinds of dosage form including soft capsule, hard capsule, tablet, granule and oral liquid. Our products series cover hemp-based food, hemp-based medicines, external used medicines and health food.



Corporate Structure

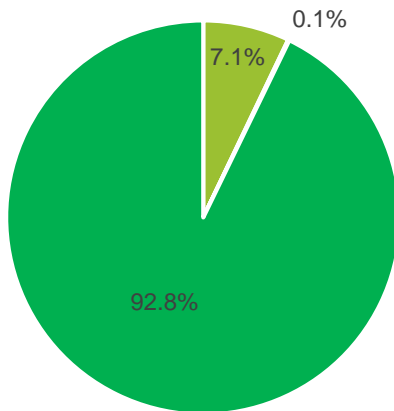


CHHE Transformations to Capture Growth

CHHE transformed its facility to capture GMP Certificate

Sales Breakdown by Products in FY 2018

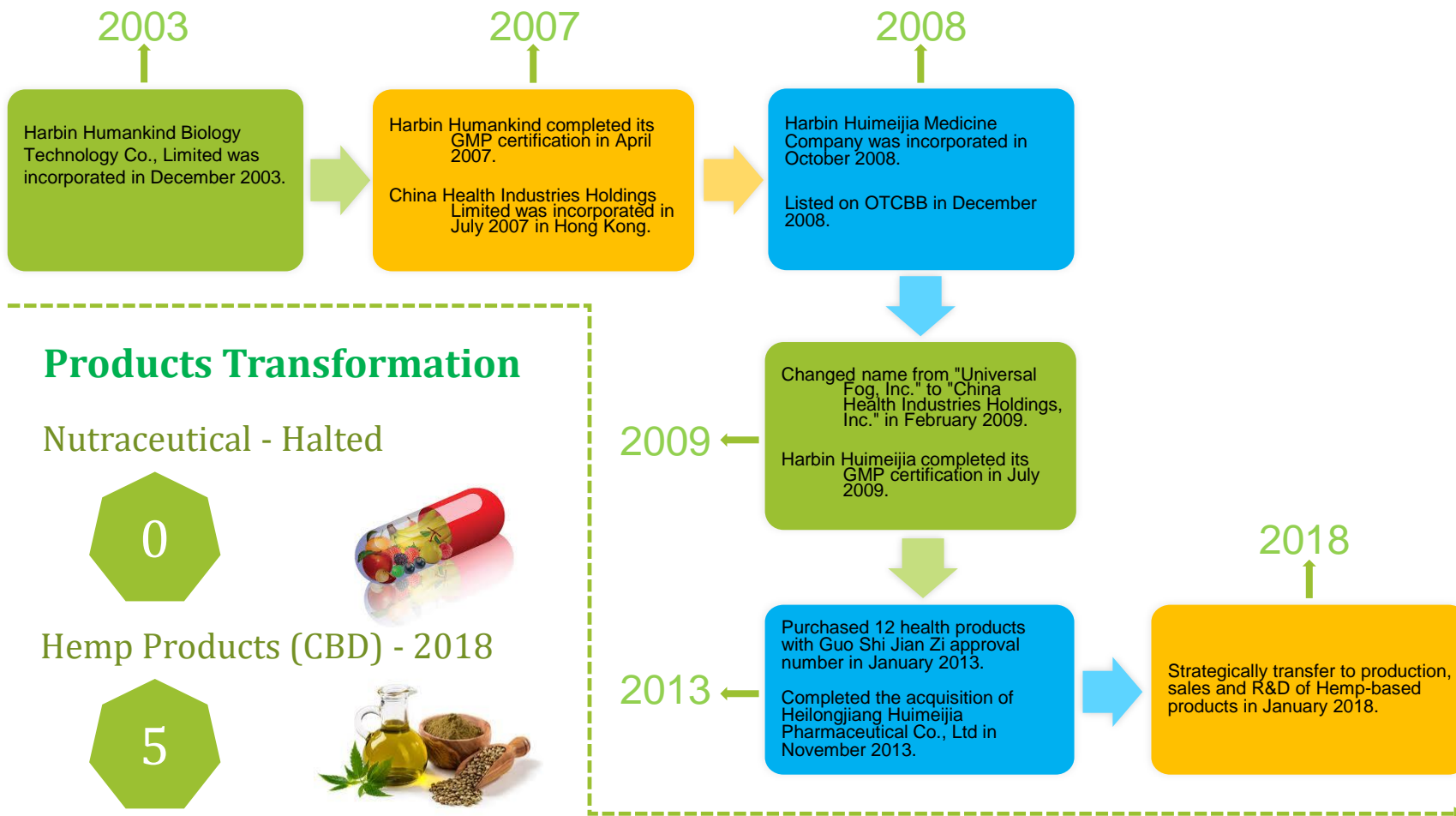
Revenue FY 2018: \$6.55 mm



■ Hemp Products ■ External Drugs ■ Health Supplements

- Since the third quarter of fiscal year 2016, Heilongjiang Huimeijia Pharmaceuticals Co., Ltd ceased production activity to focus on enhancing its operation and technology to obtain a new GMP certificate.
- Heilongjiang Huimeijia Pharmaceuticals Co., Ltd received new GMP certificate in March 2018. The external used drugs are projected to be on sales after April.
- Since January 2018, three hemp-based products are launched into market and will be the driving force to increase profit in fiscal year of 2018.

Milestones & Transformation



Products Transformation

Nutraceutical - Halted

0



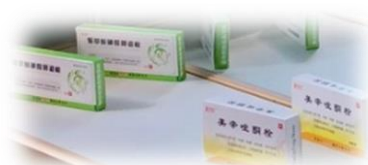
Hemp Products (CBD) - 2018

5



Pharmaceutical - Launching

21



Hemp Products – Products Expansion

CHHE Engages In Legalized Hemp Products For Purpose of High Cannabidiol (CBD) Content

Type	Cannabis	Chemical Makeup	Psychoactive	Cultivation	Applications	CHHE Products
Hemp	Yes	Low THC (< 0.3%)	No	Minimal Care. Adaptable in most climates	25,000 applications. Food, body care, clothing, plastic, construction, automobiles	Yes
Marijuana	Yes	High THC (5% - 35%)	Yes	Grown in carefully controlled atmosphere	Medical and recreational use	No

Hemp



SATIVA

Marijuana



INDICA

Hemp Market Opportunity

The Opportunity -Global Hemp Industry: The Gold Rush of the 21st Century

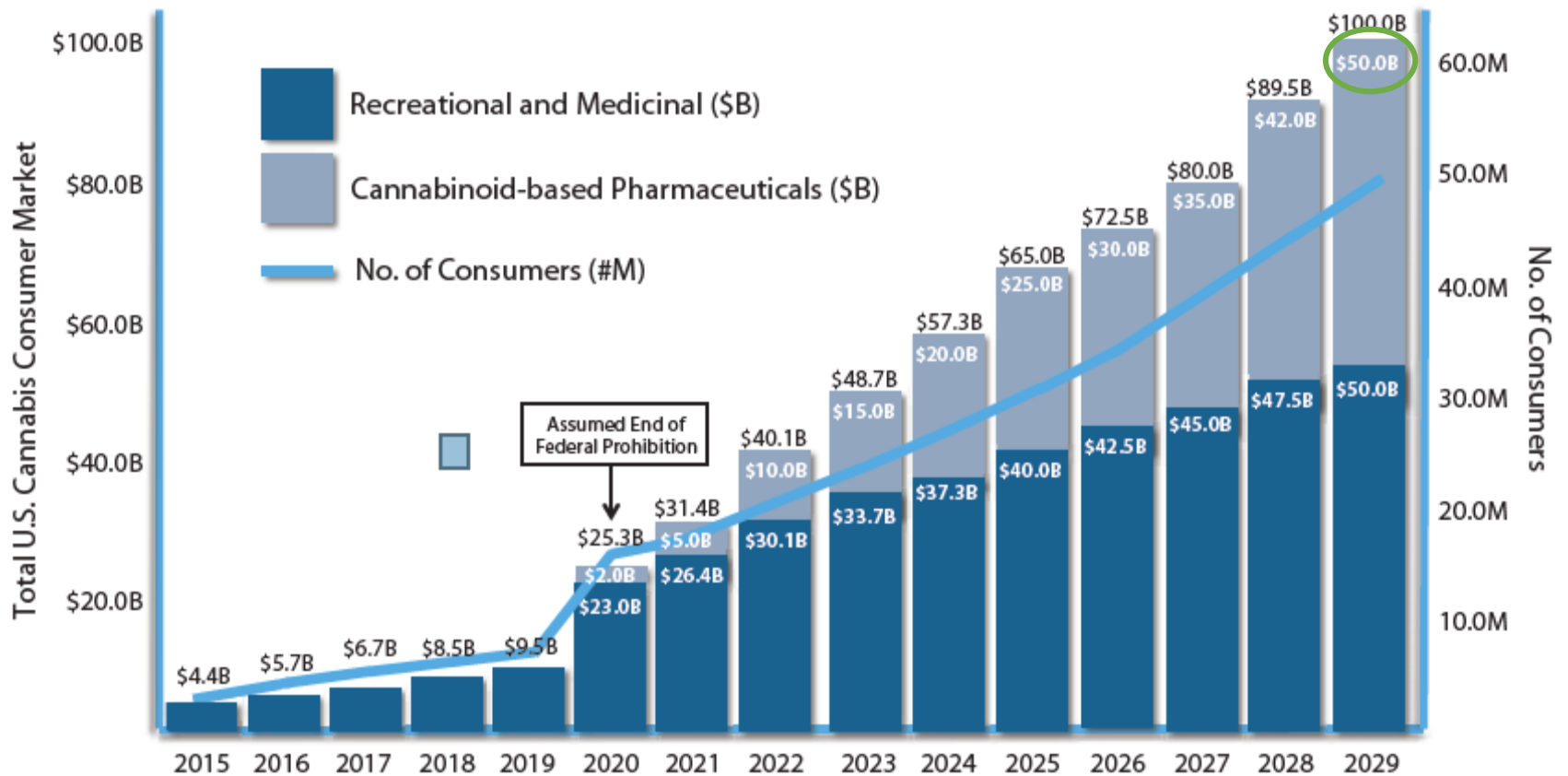
\$1.5
Trillion

2015 Global Hemp Industry



\$ 50
Billion

Cannabidiol (CBD) Pharmaceuticals Market by 2020



Hemp Products – Products Expansion

First Legalized Hemp Products Launched in China- May 2018



Hemp Oil

食品生产许可品种明细表

许可证编号: SC10823010902444

序号	食品、食品添加剂类别	类别编号	产品名称	品种明细	备注
1	食用油、油脂及其制品-其他	0201-0601	食用植物油、液体状	食用植物油(含物理精炼、高油-食用压榨大麻油 Q/HD10048-2017) 其他固体饮料、复合固体饮料、果酱(固体饮料、茶固体制剂)、其他固体饮料(糖固体制剂、谷物固体饮料、食用菌固体饮料)	

外设仓库地址:



Hemp Polypeptide

食品生产许可证 (副本)

生产者名称: 哈尔滨美佳生物科技有限公司

社会信用代码: 9123010976209980P

法定代表人(负责人): 孙斌

住所: 哈尔滨市松北区发展路3199室1号

生产地址: 哈尔滨市松北区发展路3199室1号

食品类别: 保健食品、食用油、油脂及其制品、饮料

有效期至: 2021年09月22日

说明:

- 《食品生产许可证》是食品、食品添加剂生产者取得食品生产许可的凭证。
- 《食品生产许可证》分为正本、副本。正本、副本具有同等法律效力。正本和气态或液体生产许可品种位置。
- 《食品生产许可证》不得伪造、涂改、变造、倒卖、出租、出借或者以其他形式非法转让。
- 食品生产者应当在获证有效期内开展食品生产活动。
- 食品生产者应当接受食品安全监督管理部门监督检查。
- 食品生产者应当在获证有效期内接受食品安全监督检查。
- 食品生产者应当在《食品生产许可证》有效期限届满30个工作日前, 及时到原许可部门申请延续。

许可证编号: SC10823010902444

日常监督管理机构: 松北区市场监督管理局

日常监督管理人员: 张洪涛、刘伟

投诉举报电话: 12333

发证机关: 黑龙江省市场监督管理局

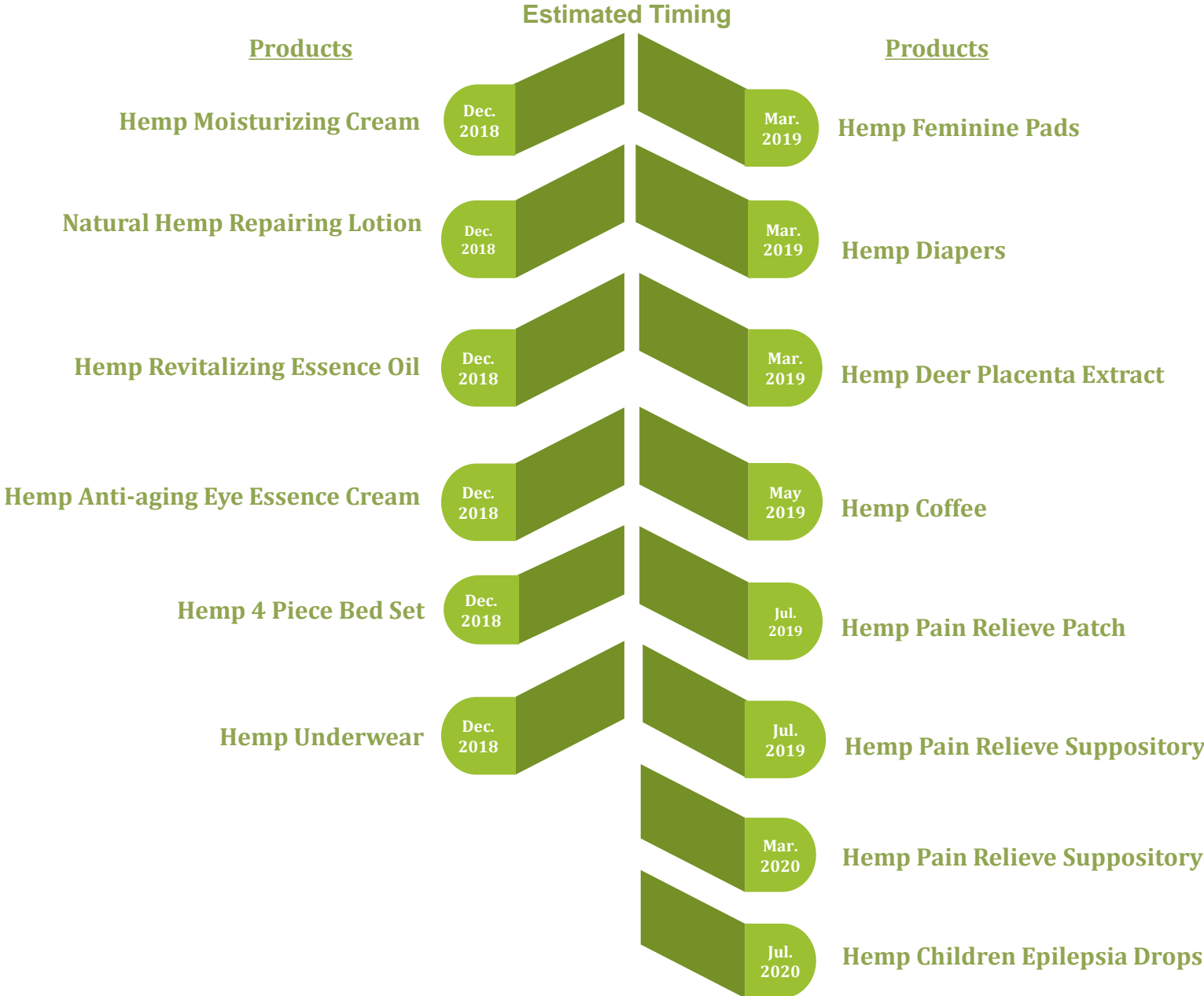
签发人: 孙斌

2018年02月22日



Hemp Protein Power

Products Expansion and Deliverables



Distribution Network and Marketing



Our sales network covered 6 provinces and 2 Municipalities in China as yellow highlighted in the map.

Covering 410 million of people with annual household income \$ 17,000.

Research & Development

In the year of 2019, the company plans to start the R&D in the following field:



(i) Collaborate with professors from Harvard Medical School to develop the world's first-in class drug that treats diabetic foot (MCS-01).

(ii) Develop CBD-based new drugs to treat epilepsy and major depressive disorder (MDD).



What is Cannabidiol (CBD)?

Unlike THC, CBD does not cause a high because it does not act on the same pathways as THC. Numerous studies suggest that CBD acts to reduce the intoxicating effects of THC, such as memory impairment and paranoia.

VITAMIN ASSAY OF WHOLE, STERILIZED HEMPSEED

Vitamin	Quantity per Ounce of Hempseed	% U.S. RDA per Ounce of Hempseed
Carotene (precursor to vitamin A)	1,050.00 IU	21.0
Thiamine (vitamin B ₁)	0.28 mg	23.0
Riboflavin (B ₂)	0.34 mg	20.0
Pyridoxine (B ₆)	0.09 mg	4.7
Niacin (B ₃)	0.78 mg	3.9
Ascorbic acid (vitamin C)	0.44 mg	0.7
Calciferol (vitamin D)	< 3.10 IU	0.8
Tocopherol (vitamin E)	0.93 mg	3.1

Data adapted from the results of a nutritional and chemical analysis commissioned by Don Wirtshafter.

MINERAL ASSAY OF WHOLE, STERILIZED HEMPSEED

Element	Quantity (ppm)	Element	Quantity (ppm)	Element	Quantity (ppm)
Aluminum	54.00	Iodine	0.84	Silicon	13.80
Antimony	1.75	Iron	179.00	Silver	0.40
Arsenic	0.30	Lead	0.03	Sodium	22.00
Barium	6.48	Lithium	0.06	Strontium	7.33
Beryllium	0.04	Magnesium	6,059.00	Sulfur	2,394.00
Boron	9.50	Manganese	95.43	Thorium	8.12
Cadmium	0.28	Mercury	< 0.001	Tin	2.60
Calcium	1,680.00	Molybdenum	0.51	Titanium	1.78
Chromium	0.65	Nickel	5.00	Tungsten	1.84
Cobalt	0.53	Phosphorus	8,302.00	Vanadium	0.84
Copper	12.00	Platinum	9.23	Zinc	82.00
Germanium	2.67	Selenium	< 0.02	Zirconium	1.23

Data provided by Don Wirtshafter.

Cannabinoids (CBD) is one of over 60 compounds found in cannabis that belong to a class of molecules called cannabinoids. Of these compounds CBD and THC are usually present in the highest concentrations, and are therefore the most recognized and studied.

Studies have found CBD to possess the following medical properties:

- ✓ Anticonvulsant (suppress seizure)
- ✓ Antipsychotic (combats psychosis)
- ✓ Anti-inflammatory (combats inflammatory)
- ✓ Anti-tumoral (combats tumor and cancer cells)

Intellectual Property



1

We have the rights to use 7 patents including the one for Waterlilies soft capsule under the name “Run Chao” approved by National Bureau of Intellectual Property.

2

Company owns 14 trademarks including Huimeijia and Kindlink etc.

3

Company’s brand strategy is to focus on the brands of Dr. Hemp, Huimeijia and Kindlink.

Growth Strategy



Management Team

Mr. Xin Sun, Chairman & CEO

Mr. Sun attended Jia Mu Si Medical College with a major in pharmacy from 1984 to 1988. From 1988 to 1991, he was the production at the Ha Yao Group Sanchine Medicine Joint-Stock Company Ltd.. From 1991 to 1994, he was the district director for the Northeast District of China for Pfizer Pharmaceuticals Limited. Thereafter, he spent one year as the director of the marketing department for Ha Yao Group Sanchine Medicine Joint-Stock Company Ltd. From 1996 to 2002, he was the chief executive officer of a company he founded, Heilongjiang Bijie Chemical Industry Co., Ltd. He next obtained his Masters of Business Administration from Renmin University of China. From 2003 to the present, he was the president and chief executive officer of Harbin Humankind Biology Technology Co., Ltd.

Performance in past three years

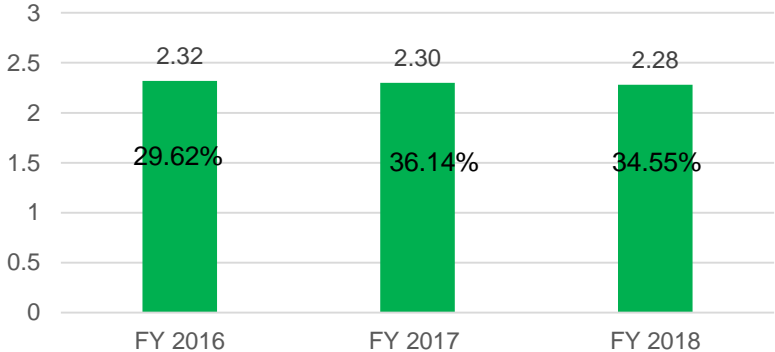
Revenue

\$ million



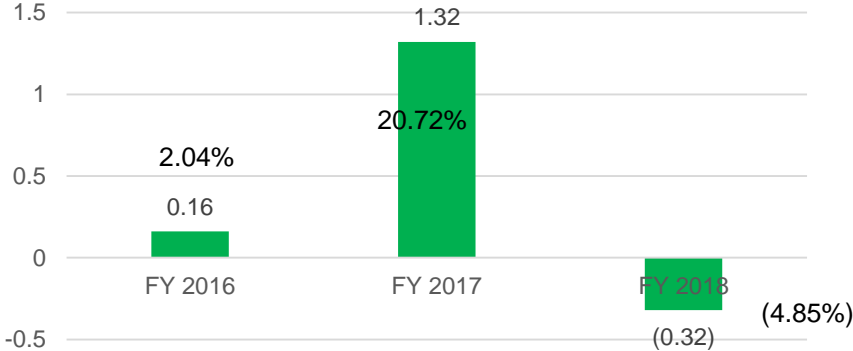
Gross Profit & Margin

\$ million



Net Income & Margin

\$ million



Weighted Average Exchange Rate:

FY 2016:1USD=6.4405 CNY

FY 2017:1USD=6.8087 CNY

FY 2018:1USD=6.5064 CNY

Financial Highlights

Selected Income Statement (Audited)

(\$ in million, except per share amounts)	FY Ended	FY Ended
	Jun. 30, 2018	Jun. 30, 2017
Revenue	6.55	6.37
COGS	4.28	4.07
Gross Profit	2.28	2.30
Total operating expenses	2.74	2.47
Income from operations	(0.47)	(0.17)
Income before income taxes	(0.05)	0.92
Income taxes	0.26	0.46
Net Income	(0.32)	1.32
Basic and diluted Earnings per share	\$(0.005)	\$0.02

Financial Highlights

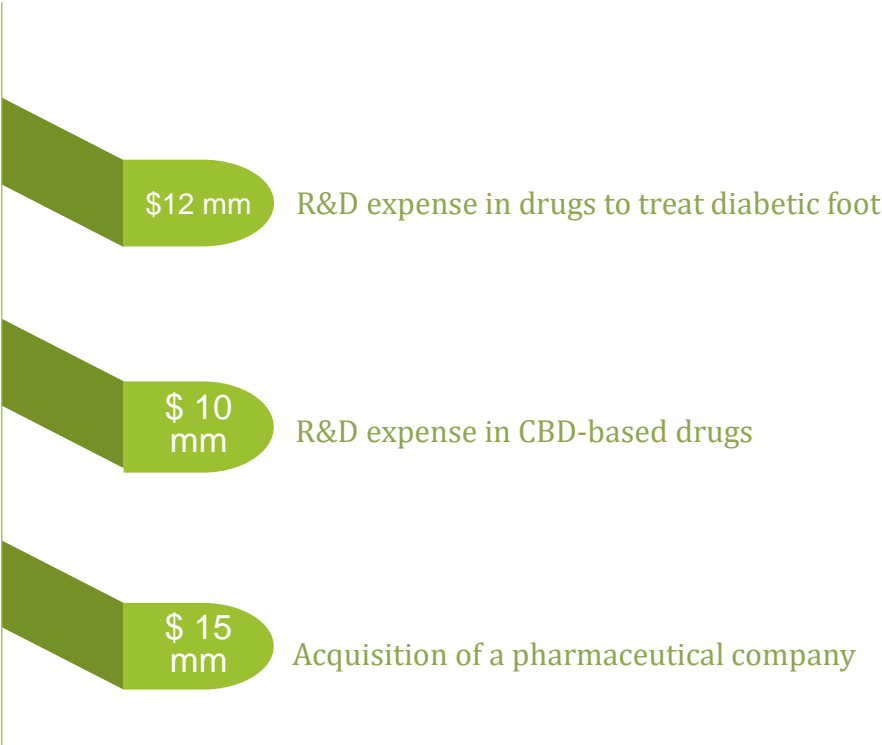
Selected Balance Sheet

(\$ in million)	June 30, 2018 (Audited)	June 30, 2017 (Audited)
Assets		
Cash and cash equivalents	32.6	21.2
Accounts receivable	1.5	1.6
Inventory	0.5	0.5
Total current assets	34.7	33.5
Total assets	42.9	41.7
Liabilities and Stockholders' Equity		
Short-term loans	0	1.5
Tax payable	0.4	0.9
Total liabilities	7.7	7.0
Total Stockholders' equity	35.2	34.7
Total liabilities and Stockholders' equity	42.9	41.7

Fund Raising

Capital Expenditure

The company uses its own cash to re-invest part of the projects and plans to raising \$10 mm to execute its business plan.

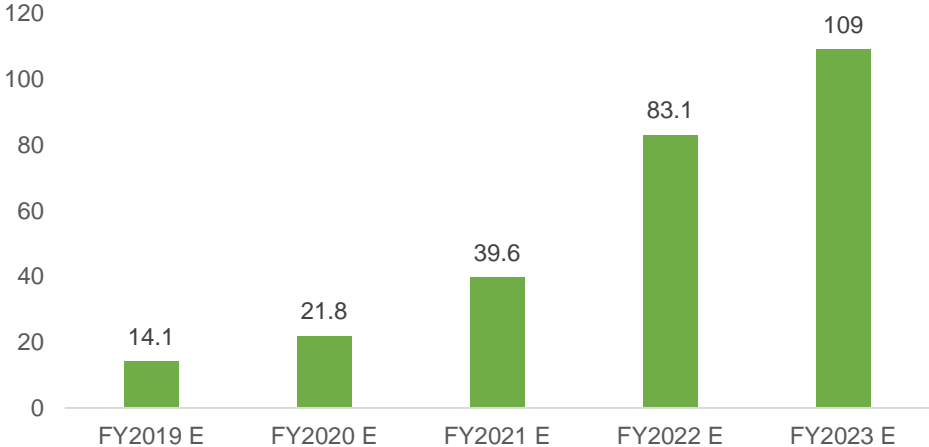


Total: \$ 37 mm

Financial Forecast

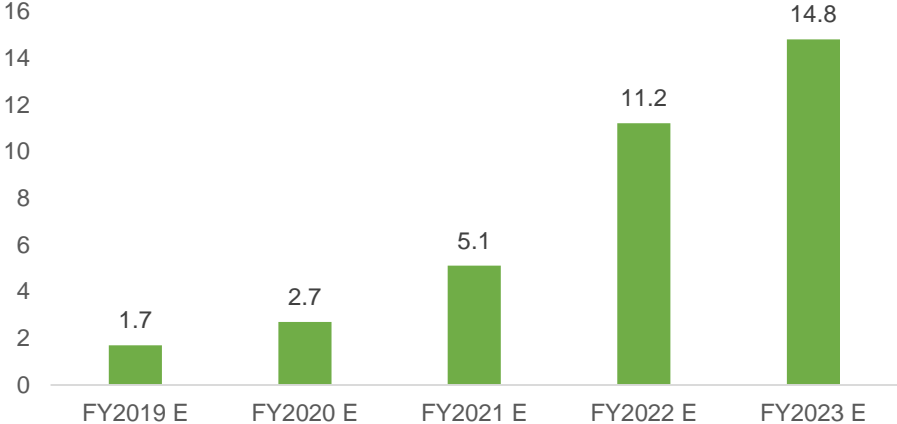
\$ million

Revenue Growth



\$ million

Net Income



Company Contact

Melody Zhang
IR Contact

No. 168 Binbei St. Songbei District Harbin, China
ir@chinahealthindustries.com
Phone: 86-451-87170800
www.chinahealthindustries.com

Legal Counsel:

PRYOR CASHMAN LLP

Auditor:

Centurion ZD CPA Limited