

16 July 2018

Omni Innovation: Update by Eagle Health on Chinese Market

EVE Investments provides for your information a copy of a release made by Eagle Health Holdings (ASX:EHH) today which included an update on its progress in rolling out its pre-meal drink into the Chinese market.

Omni Innovation, a medical technology company focused on medical nutrition and in which EVE has a ~38% interest, has a licence agreement in place with Eagle Health for the manufacture and distribution of its pre-meal drink for people with Type 2 diabetes and pre-diabetes.

About Omni Innovation

Omni Innovation creates unique and specialised medical food products that can be used by people with chronic and lifestyle diseases. Omni's products are independently validated and supervised by Omni's expert collaborator network to ensure that customers have safe, effective and clinically tested products that provide benefit with scientific backing.

About Eagle Health Holdings Limited

Eagle Health Holdings Limited is a vertically integrated consumer health and nutritional products business which develops, manufactures and distributes its product range across 26 provinces in China. Eagle Health produces a range of traditional Chinese and Western nutritional and dietary supplements including amino acids, protein supplements, lozenges and dendrobium. The Company distributes its products through a broad range of channels, including pharmacies, health food stores, trading companies, supermarkets and online stores.

About EVE Investments

EVE Investments invests in technology companies with a focus on the medical nutrition sector. The Company's investment strategy has a three-pronged approach.

1. To invest in businesses that are in the early growth phase with the aim to support their expansion programs.
2. To identify products that have unique medicinal properties and a global reach application.
3. Preference for natural organic products that have demonstrated medicinal benefits.

For further information, please visit www.eveinvestments.com.au and follow us on Twitter [@EVEInvestments](https://twitter.com/EVEInvestments)

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Eagle Health Holdings Limited

ASX Announcement

16 July 2018

EAGLE HEALTH REVIEWS & STRENGTHENS STRATEGIC DISTRIBUTION CHANNEL DEVELOPMENT

- Eagle Health Board, AMKA and Omni Innovation attend Key Stakeholder Meeting
- Eagle Health on track for 2018-2019 growth
- Three new Eagle Health Education and Experience stores to open by 31 July 2018
- Dedicated Eagle online platform in development to connect consumer to digital diagnostics on vital health parameters

Eagle Health Holdings Limited (ASX: EHH) (“Eagle Health” or “Company”) is pleased to announce that following a detailed review of the Company’s progress, distribution channel approaches and future plans, Eagle Health believes it remains on track to deliver accelerated growth in revenues and earnings in 2018 and 2019. The Company expects to release its unaudited financial results for the half year to 30 June 2018 on or about 31st August 2018

During the week of 9th July, Eagle Health hosted key board members and staff from cornerstone investor AMKA, as well as Omni Innovation, the owner of the Hutang-One diabetes product, at the Company’s head office and manufacturing plant in Xiamen. The meetings were structured to review the Company’s progress and future plans for 2018 and 2019.

Eagle Health’s Hutang-One diabetes product are currently sold through four direct Eagle Health Education and Experience stores in Xiamen. The Company remains on track to open another three stores this month and have the planned seven stores running by end July 2018.

Plans to roll out 100 direct stores along the affluent East Coast of China, as announced 31 May, are on track and are expected to reach approximately 570 million consumers. These Eagle Health Education and Experience stores will sell Eagle Health’s Hutang One diabetes product, Eagle’s new range of modern Traditional Chinese Medicine products (announced 7 July) and a selected range of Australian sourced health products.

The planned Education and Experience stores will ensure Eagle Health further penetrates its already strong provinces. Each Education and Experience store will also assist neighbouring pharmacies and community clinics with products available for purchase instore, in pharmacy or clinic and online.

To complement the direct channel distribution of Eagle Health products, the Company has begun the development of a dedicated Eagle Health online platform that will connect the consumer, patients and family members to digital diagnostics on vital health parameters. This platform will provide local community health feedback via their clinics and provide suggestions on which Eagle Health products could assist in patient health care and where these products can be purchased in their local area, either at a direct store, online or in their local health network.

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Eagle Health Holdings Limited

Mr Zhang Mingwang, CEO of Eagle Health, said:

“Chinese consumers are changing the way they shop and buy health products. Our Education and Experience stores show us that we can reach a very wide population and provide greater access to health education, product trial and on-going repeat purchase.

“We believe our strategic direct-store, multi-channel and online distribution approach is intended to not only provide consumers the products they want but also ensure Eagle Health products are more accessible for consumers to buy every day.”

This direct channel approach provides greater control over five key elements of Eagle Health’s accelerated growth business plan:

1. Drive greater loyalty for Eagle products
2. Penetrate deeper into high population areas
3. Improve gross margin
4. Ensure long term sustained growth by sourcing business from multiple channels
5. Provide consumer health education to support China’s Central Government National Health Strategy



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Eagle Health Holdings Limited

For more information visit: www.auehh.com.au or www.eaglehealthltd.com/EN/index.aspx

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