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## **CHINA PROPERTIES GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1838)**

- (1) FURTHER DELAY IN PUBLICATION OF 2020 ANNUAL RESULTS AND DESPATCH OF 2020 ANNUAL REPORT;**
- (2) DELAY IN PUBLICATION OF 2021 INTERIM RESULTS AND DESPATCH OF 2021 INTERIM REPORT;**
- (3) POSTPONEMENT OF 2021 ANNUAL GENERAL MEETING;**
- (4) LEGAL DISPUTES INVOLVING WHOLLY-OWNED SUBSIDIARY; AND**
- (5) CONTINUED SUSPENSION OF TRADING**

This announcement is made by China Properties Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 24 March 2021, 30 April 2021 and 31 May 2021 in relation to, among other matters, delay in publication of the 2020 annual results, delay in despatch of the annual report for the year ended 31 December 2020, the Resumption Guidance and suspension of trading in the shares of the Company from 9:00 a.m. on 1 April 2021; and (ii) the quarterly update announcement of the Company dated 30 June 2021 (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

## **FURTHER DELAY IN PUBLICATION OF 2020 ANNUAL RESULTS AND DESPATCH OF 2020 ANNUAL REPORT**

As at the date of this announcement, the audit of the 2020 Annual Results has not been completed. The Company is using its best endeavours to complete and finalise the audit of the 2020 Annual Results. The Company will publish further announcement to inform the Shareholders and potential investors of (i) the date of publication of the 2020 Annual Results; and (ii) the date of despatch of the 2020 Annual Report as soon as possible.

## **DELAY IN PUBLICATION OF 2021 INTERIM RESULTS AND DESPATCH OF 2021 INTERIM REPORT**

Pursuant to Rule 13.49(6) and 13.48(1) of the Listing Rules, the Company is required to publish its preliminary announcement of the interim results for the six months ended 30 June 2021 (the “**2021 Interim Results**”) to its Shareholders not later than two months after the date upon which the financial period ended, that is, on or before 31 August 2021 and send its interim report for the six months ended 30 June 2021 (the “**2021 Interim Report**”) to its Shareholders not later than three months after the date upon which the financial period ended, that is, on or before 30 September 2021.

Due to the delay in the publication of the 2020 Annual Results, the Company is unable to publish its 2021 Interim Results by end of August 2021 and despatch its 2021 Interim Report by end of September 2021. The Company will publish further announcement to inform the Shareholders and potential investors of (i) the date of publication of the 2021 Interim Results; and (ii) the date of despatch of the 2021 Interim Report as soon as possible.

The Company will use its best endeavours to complete and finalise the information required for the 2020 Annual Results and 2021 Interim Results and shall publish the 2020 Annual Results and 2021 Interim Results announcements to inform Shareholders and public of the information in appraising the financial position of the Group as soon as practicable.

## **POSTPONEMENT OF THE 2021 ANNUAL GENERAL MEETING**

Due to the aforesaid further delay in the publication of the 2020 Annual Results and despatch of the 2020 Annual Report, the annual general meeting of the Company for the year ended 31 December 2020 (the “**2021 Annual General Meeting**”) is expected to be held on a date more than fifteen months after the date of the last annual general meeting (i.e. 29 June 2020).

The Company will publish further announcement(s) to inform the Shareholders of the date of the 2021 Annual General Meeting as and when appropriate.

## **LEGAL DISPUTES INVOLVING WHOLLY-OWNED SUBSIDIARY**

References are made to the annual report of the Company for the financial year ended 31 December 2019 dated 3 June 2020 and the interim report for the six months ended 30 June 2019 and 2020 dated 29 August 2019 and 31 August 2020, respectively (the “**Reports**”) in relation to the legal dispute involving Shanghai Jingan-Concord Real Estate Co., Ltd. (“**Shanghai Jingan**”), a wholly-owned subsidiary of the Company.

As disclosed in the Reports, on 27 September 2017, Shanghai Jingan as borrower entered into an entrusted loan agreement (the “**JIC Trust Entrusted Loan Agreement**”) with JIC Trust Co., Ltd. (中建投信託股份有限公司) (“**JIC Trust**”) whereby an entrusted loan in the aggregate amount of RMB1.2 billion (the “**JIC Trust Entrusted Loan**”) was granted in twelve tranches. The loan tenure for each tranche is 24 months and will be due from 13 October 2019 to 29 December 2019 (the “**Loan Term**”). Pursuant to the JIC Trust Entrusted Loan Agreement, the lender has the right to demand immediate repayment of the loan if the lender has doubt over the borrower’s financial ability to repay the loan. On 14 February 2019, Shanghai Jingan received a notice from JIC Trust informing that the JIC Trust Entrusted Loan Agreement would be terminated on 18 February 2019 and the loan would be due on the same day. As the Loan Term has not yet expired, Shanghai Jingan did not repay the loan as demanded. On 22 February 2019, JIC Trust filed a civil claim against Shanghai Jingan and the Company declaring the termination of the JIC Trust Entrusted Loan Agreement and the loan due. The amount of claim is RMB1,452.35 million. Since then, the above parties have reached settlement whereby Shanghai Jingan will repay the principal amount of RMB1.2 billion under the JIC Trust Entrusted Loan together with interest and legal costs incurred.

Whilst the Company is in the process of obtaining a new loan from an independent financial institution for the repayment of the JIC Trust Entrusted Loan, on 6 August 2021, the Company noted from 工行融e購 (ICBC Global E-Trade Service\*), an online trade platform established by the Industrial and Commercial Bank of China that the Shanghai Second Intermediate People’s Court (上海市第二中级人民法院) has issued a notice (the “**Notice**”) in relation to the proposed auction of two parcels of land (together with the constructions constructed thereon) owned by Shanghai Jingan, being a parcel of land (lot #3) (the “**Lot #3 Land**”) and a parcel of land (lot#5) (the “**Lot #5 Land**”), each located in the northern portion of Shanghai Concord City Phase II with a total site area of 7,838 square meters and 11,208 square meters, respectively, which were mortgaged as security under the JIC Trust Entrusted Loan (the “**Proposed Auction (JIC Trust)**”). The Proposed Auction (JIC Trust) is scheduled to take place from 15 September 2021 to 18 September 2021. According to the Notice, a judicial valuation report (司法鑑定評估報告) on the Lot #3 Land and the Lot #5 Land has been prepared by 上海富申房地產估價有限公司 (Shanghai Fushen Real Estate Appraisal Co., Ltd.\*.) (the “**Judicial Valuation Report**”) with a total appraised value of RMB1,855,900,500.

The Directors are of the view that the Judicial Valuation Report was made based on erred information on the Lot #3 Land and the Lot #5 Land, which substantively undervalued the Lot #3 Land and the Lot #5 Land. The Company disagreed with the Judicial Valuation Report and has commenced an administrative proceeding to contest against the adoption of the Judicial Valuation Report as well as the Proposed Auction (JIC Trust).

The Company will make further announcement(s) on the material development and progress in relation to the Proposed Auction (JIC Trust) as and when appropriate.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in shares of the Company was suspended from 9:00 a.m. on 1 April 2021 and will remain suspended until further notice.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**CHINA PROPERTIES GROUP LIMITED**  
**Dr. Wang Shih Chang, George**  
*Chairman*

Hong Kong, 16 August 2021

*As at the date of this announcement, the Board of the Company comprises Dr. Wang Shih Chang, George, Mr. Wong Sai Chung and Mr. Xu Li Chang as executive directors, Mr. Kwan Kai Cheong as non-executive director and Mr. Warren Talbot Beckwith, Mr. Luk Koon Hoo and Dr. Garry Alides Willinge as independent non-executive directors.*

\* *For identification purpose only*