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GRAND PEACE GROUP HOLDINGS LIMITED

福澤集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 08108)

INSIDE INFORMATION WINDING UP PETITION

This announcement is issued by Grand Peace Group Holdings Limited (the “**Company**”) pursuant to Rule 17.10 of the Rule Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provision (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong.

Winding up petition

On 23 December 2019, the Company received a winding up petition (the “**Petition**”) from Ms. Li Ru (the “**Petitioner**”) in the matter of the Companies (Winding Up and Miscellaneous Provision) Ordinance (Chapter 32, Laws of Hong Kong) filed with the High Court of The Hong Kong Special Administrative Region (the “**High Court**”) issued under the Companies Winding-up Proceedings No. 410 of 2019 for failure to settle a sum of HK\$4,936,435.55, being the outstanding balance of bond principal and accrued interests owed by the Company to the Petitioner. The Petition will be heard before the High Court at 9:30 a.m. on 19 February 2020 (the “**Hearing Date**”).

The Company has engaged a legal adviser to act for the Company in negotiating with the Petitioner for an amicable disposal of the Petition out of the court before the Hearing Date. In addition, the Company has also sought for legal advices on the next steps and possible actions in respect of the Petition.

Further announcement will be made as and when appropriate. The Company will also keep its shareholders and potential investors informed of any significant development of the Petition as and when appropriate.

Effect of the petition under the applicable laws and regulations

According to Section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32, Laws of Hong Kong), and Article 164 of the Bermuda Companies Act (1981), any disposition of the property of the Company, including things in action, and any transfer of shares, or alteration in the status of the members of the Company, made after the commencement of the winding up, shall, unless the court otherwise orders, be void. The winding-up will commence on the date of the presentation of the Petition if a winding-up order is granted by the High Court on the Hearing Date.

The Board wishes to remind its shareholders and potential investors that after the Petition has been presented, any transfer of the shares of the Company (“**Shares**”) made thereafter may be void without a validation order from the court under the laws and regulations applicable to the Company. Pursuant to the circular dated 28 December 2016 issued by the Hong Kong Securities Clearing Company Limited (“**HKSCC**”), after the Petition has been presented and in view of these restrictions and the uncertainties that may arise from the transfer of Shares, for any participants who conduct Shares transfer through HKSCC (the “**Participants**”), HKSCC may at any time, and without notice, exercise its powers under the General Rules of CCASS to temporarily suspend any of its services in respect of Shares. This may include the suspension of acceptance of deposits of share certificates of the Company (“**Share Certificates**”) into the Central Clearing and Settlement System (the “**CCASS**”). The Share Certificates received by HKSCC but not yet reregistered in HKSCC Nominee Limited’s name will also be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the Company’s securities from its CCASS account accordingly. These measures would generally cease to apply from the date when the Petition has been struck-out, dismissed or permanently stayed, or the Company has obtained the necessary validation order from the High Court.

The Company will make an application for a validation order in respect of the transfer of its Shares if so advised by its legal adviser.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board
Grand Peace Group Holdings Limited
Sun, Miguel
Executive Director

Hong Kong, 23 December 2019

As at the date of this announcement, the Board comprises Mr. Sun, Miguel, Mr. He Weiqing and Mr. Wong Wai Leung as Executive Directors, and Mr. Chin Kwan Lam, Raymond, Mr. Huen Ho Yin and Mr. Huang Hongbin as Independent Non-Executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the date of its posting and on the website of the Company at <http://www.hk08108.com>.

** for identification purpose only*