

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



勒泰集團有限公司
LERTHAI GROUP LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 112)

ANNOUNCEMENT

BUSINESS UPDATE

The board of directors (the “**Board**”) of Lerthai Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) announces that a tranche of the notes with an aggregate principal amount of HK\$100,000,000 issued on 29 November 2016 has matured on 29 November 2019 and has remained outstanding to date. Since the maturity date, the Company and the holders of the notes have engaged in numerous rounds of negotiations to seek to resolve the issue amicably, including extension of the maturity date. However, the holders of the notes have made a number of demands, including the provision by the company of a property located in the PRC as collateral against the debt. As of the date of this announcement, the company has not reached a consensus and no formal extension agreement has been entered into due to the failure of the Company to meet such requirements because of regulatory limitations. On 19 December 2019, the holders of the notes served on the company statutory demands (the “**Statutory Demands**”) requesting the company to repay the debt within three weeks after the service of the Statutory Demands. Nevertheless, the Company is making every effort to actively consider other options to continue negotiating and reaching an agreement with the holders of the notes. However, the Company cannot exclude the possibility that the holders of the notes may take further legal action against the Company.

The Company is now in the course of taking legal advice on the matters mentioned above. The Company will closely monitor the development of this matter and make further announcement if the Company considers appropriate.

APPOINTMENT OF RECEIVERS

The Board announces that it has been recently informed of the appointment of receivers over 254,055,888 shares and 162,222,222 shares in the Company (the “**Shares**”) respectively held by China Lerthai Commercial Real Estate Holdings Limited (a substantial shareholder of the Company) and Mr. Yang Longfei, a director and controlling shareholder of the Company which were charged to Peace Winner Limited and Fantastic Stargaze Limited by way of share charges dated 26 January 2017 and 30 March 2019 (the “**Charged Shares**”). The Charged Shares represent approximately 38.8% of the issued share capital of the Company as at the date of this announcement.

The Company is now in the course of taking legal advice on the matters mentioned above in order to assess its legal position.

The Board considers that the appointment of receivership over the Charged Shares does not have any material impact on the business operations of the Group as a whole. The Company will keep its shareholders and potential investors informed of any further material developments in connection with the above action by way of further announcement(s) as and when appropriate.

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

By order of the Board
Lerthai Group Limited
Yang Longfei
Chairman and Chief Executive Officer

Hong Kong, 21 January 2020

As at the date of this announcement, the executive Directors are Mr. Yang Longfei and Ms. Zhang Yan, the non-executive Director is Mr. Yang Shao Ming, and the independent non-executive Directors are Mr. Wong Hon Kit and Mr. Wong Tat Keung.