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XIWANG PROPERTY HOLDINGS COMPANY LIMITED

西王置業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2088)

INSIDE INFORMATION

SETTLEMENT APPLICATION OF CONTROLLING SHAREHOLDER

This announcement is made by Xiwang Property Holdings Company Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) pursuant to Rule 13.09(2) (a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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).

The board of directors (the “**Board**”) of the Company wishes to announce that the Company received a notification from its controlling shareholder (as defined in the Listing Rules), Xiwang Group Company Limited* (西王集團有限公司) (“**Xiwang Group**”), that Xiwang Group is facing a liquidity crisis. To the best knowledge of the directors of the Company, which is based on the notification received, in order to protect the interests of creditors and properly resolve the debt problem, Xiwang Group has applied for settlement with the Zouping Municipal People’s Court of Shandong Province (the “**Court**”) on 21 February 2020 and received a civil ruling from the Court to accept the application for settlement. However, there is still uncertainty about the settlement.

IMPACT ON THE GROUP

The Company and Xiwang Group are different entities with independent and complete business and independent operating capabilities. The entry into the settlement process by Xiwang Group is conducive to solving Xiwang Group's liquidity problems, optimizing the asset and liability structure, eliminating Xiwang Group's debt risk, restoring the sustainable operation and profitability of Xiwang Group, and will not impose negative impact on the Group's daily production and operation. Meanwhile, the Group will actively perform daily operations on the existing basis to ensure the stability of production and operation. As of the date of this announcement, the Group's production and operation situation is normal. The Company will disclose further developments on the above matters by way of further announcement(s) in a timely manner in accordance with the Listing Rules and other applicable regulatory requirements.

Shareholders of the Company and potential investors are reminded that there is still uncertainty in the settlement of Xiwang Group. The Company will continue to pay attention to the subsequent progress and impact of the above matters, and perform its information disclosure obligations in a timely manner in accordance with relevant provisions of laws and regulations. Shareholders of the Company and potential investors should exercise caution in dealing in shares of the Company.

By order of the Board
Xiwang Property Holdings Company Limited
WANG Di
Chairman

Hong Kong, 21 February 2020

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. WANG Jin Tao
Mr. WANG Wei Min

Independent non-executive Directors:

Mr. WONG Kai Ming
Mr. WANG An
Mr. WANG Zhen

Non-executive Directors:

Mr. WANG Di
Mr. WANG Yong
Mr. SUN Xihu

* *For identification purpose only*