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WUZHOU INTERNATIONAL HOLDINGS LIMITED

五洲國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01369)

ANNOUNCEMENT ON LITIGATION

This announcement is made by the board of directors (the “**Board**”) of Wuzhou International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules of Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The purpose of this announcement is to keep the shareholders and potential investors of the Company informed of a major litigation the Group is involved for the time being.

A litigation in respect of dispute over trust loan agreement taken out by Cedar International Trust Co., Ltd. (formerly known as Zhong Jiang International Trust Co., Ltd.)

One subsidiary of the Company, namely Wuxi Wuzhou International Ornament City Co., Ltd.* (無錫五洲國際裝飾城有限公司) (“**Wuxi Ornament City**”), filed an appeal at the Supreme People’s Court on or about 3 September 2019 against the ruling of the Higher People’s Court of Jiangxi Province on a litigation (the “**Original Litigation**”) in respect of the dispute over trust loan agreement (the “**Trust Loan Agreement**”) and other related charges and guarantees taken out by Cedar International Trust Co., Ltd. (雪松國際信託股份有限公司) (formerly known as Zhong Jiang International Trust Co., Ltd. 中江國際信託股份有限公司) (“**Cedar International Trust**”). In the appeal case, Wuxi Ornament City appealed against the ruling of Higher People’s Court of Jiangxi Province that the PRC laws instead of the laws of the Cayman Islands, where the Company was incorporated in, shall be the applicable laws in which the corporate guarantee entered into by the Company in favour of Cedar International Trust in respect of the Trust Loan Agreement (the “**Corporate Guarantee**”) should be governed. Pursuant to the judgement of the Supreme People’s Court dated 25 March 2020, the decision of the Higher People’s Court of Jiangxi Province in favour of Cedar International Trust was upheld by the Supreme People’s Court and in effect, the defendants of the Original Litigation, including the Company (as the guarantor under the Corporate Guarantee) and two of its subsidiaries (including Wuxi Ornament City), shall pay to Cedar International Trust the principal sum of the trust loan in the sum of RMB150,000,000 together with the interest accrued thereon, liquidated damages and legal costs of each of the Original Litigation and the appeal.

CONTINUED TRADING SUSPENSION OF THE SHARES OF THE COMPANY

Trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on 3 September 2018 and will remain suspended until further notice.

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

By Order of the Board
WUZHOU INTERNATIONAL HOLDINGS LIMITED
Shu Cewan
Chairman

Hong Kong, 22 May 2020

As at the date of this announcement, the Board comprises five executive Directors, being Mr. Shu Cewan (Chairman and Chief Executive Officer), Mr. Zhu Yongqiu, Mr. Shen Xiaowei, Ms. Cai Qiaoling and Mr. Zhou Chen, and three independent non-executive Directors, being Dr. Song Ming, Prof. Shu Guoying and Mr. Liu Chaodong.

* *In this announcement, the English names of the PRC entities or individuals are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*