

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.



MASTER GLORY GROUP LIMITED

凱華集團有限公司

(In Liquidation)

(Incorporated in Bermuda with limited liability)

(Stock Code: 275)

DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES AS A RESULT OF FORCED SALE

BACKGROUND

This announcement is made by Master Glory Group Limited (In Liquidation) (the “**Company**”, and together with its subsidiaries the “**Group**”) under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the announcements of the Company dated 12 June 2020, 18 June 2020, 30 June 2020 and 30 September 2020 in relation to, among others, the winding-up of the Company and the appointment of liquidators (collectively, the “**Announcements**”). Capitalised terms used in this announcement shall have the same meanings as defined in the Announcements unless the context otherwise requires.

On 1 June 2020, the Company was ordered to be wound up by the High Court of Hong Kong Special Administrative Region in HCCW 363/2019 and the Official Receiver was appointed as the Provisional Liquidator of the Company. Subsequently, on 15 June 2020, the High Court of Hong Kong ordered that Ms. Koo Chi Sum and Mr. Koo Chi Ho Andrew of Ernst and Young Transactions Limited be appointed as the Joint and Several Liquidators of the Company.

According to the audited financial statements as at 31 March 2018, the Company is an investment holding company and the Group is principally engaged in property development, investment and trading, industrial water supply business, trading of securities and other strategic investments.

FORCED SALE

On the basis of the information available to the Joint and Several Liquidators, on 1 June 2020, the Company has ceased to be a substantial shareholder of Greater Bay Area Dynamic Growth Holding Limited (stock code:1189) (“**Greater Bay**”) as there was a forced sale of 147,663,250 shares (the “**Disposal Shares**”) at HK\$0.2 per share, by a securities brokerage company, which represents approximately 18.71% of the issued share capital of Greater Bay (the “**Forced Sale**”) held by Asia Will Limited (“**AWL**”), an indirect wholly-owned subsidiary of the Company, for a consideration of HK\$29,532,650 (excluding transaction costs) determined by the securities brokerage company.

THE ASSETS DISPOSED

The Forced Sale was effected to settle the outstanding balances owed from AWL to the securities brokerage company, pursuant to a margin client agreement entered into between AWL and the securities brokerage company on 16 February 2015 (the “**Margin Agreement**”).

As per the Margin Agreement, if an event of default occurs, the securities brokerage company shall be entitled to dispose of any or all securities held for and on behalf of the client and to apply the proceeds thereof and any cash deposit(s) to settle all outstanding balances owing to the securities brokerage company.

Immediately after the Forced Sale, the Company, through its wholly-owned subsidiaries, was interested in 842,750 shares of Greater Bay, representing approximately 0.1% of the issued share capital of Greater Bay, and has therefore ceased to be a substantial shareholder of Greater Bay. Subsequently, the Company disposed the remaining 842,750 shares of Greater Bay on the market, through a securities brokerage company, at the average price of HK\$0.21274 per share on 17 August 2020.

INFORMATION OF GREATER BAY

Greater Bay is an investment holding company. Its principal subsidiaries are engaged in the business of hotel operation and trading of securities. Set out below is a summary of certain audited financial information of Greater Bay for the two years ended 31 December as extracted from 2019 annual report of Greater Bay:

	For the year ended 31 December	
	2019	2018
	HK\$'000	HK\$'000
Loss before tax	(109,498)	(65,765)
(Loss)/profit after tax	(110,896)	423

FINANCIAL EFFECTS OF THE FORCED SALE

The Joint and Several Liquidators were not able to access the financial effects of the Forced Sale as the relevant financial information of AWL have not been available.

INFORMATION OF THE COUNTERPARTY

Due to the nature of the Forced Sale, the Forced Sale was executed by the securities brokerage company where the Company had no discretion to act in opposite manner. Based on the Disclosure of Interests of Greater Bay, the purported counterparty of the Disposal Shares is Mr. Kitchell Osman Bin. No other information available to the Joint and Several Liquidators to verify the connected relationship with Mr. Kitchell Osman Bin, the Company and its subsidiaries.

REASONS FOR AND BENEFITS OF THE FORCED SALE

The Forced Sale was executed by the securities brokerage company and took place before the appointment of the Joint and Several Liquidators. The Joint and Several Liquidators are in no position to provide reasons for and benefits of the Forced Sale.

LISTING RULES IMPLICATIONS

Pursuant to the Listing Rules, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the Forced Sale exceeds 5% but less than 25%, the Forced Sale constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 2 July 2019 and will remain suspended until further notice.

The Company will keep the public informed of the latest developments by making further announcement(s) as and when appropriate.

For and on behalf of
MASTER GLORY GROUP LIMITED
(In Liquidation)
Koo Chi Sum
Koo Chi Ho Andrew
Joint and Several Liquidators
who act without personal liabilities

Hong Kong, 4 December 2020

On the basis of the information available from the previous announcements made by the Company, the Executive Directors of the Company are Mr. Heung Pik Lun, Edmond and Dr. Wu Guangsheng, and the Independent Non-executive Directors are Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert, Mr. Sin Chi Fai and Dr. Wu Chun Wah.