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## **CHINA SAITE GROUP COMPANY LIMITED**

**中國賽特集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 153)**

### **ANNOUNCEMENT UPDATE ON THE EXPECTED TIMELINE IN FULFILLING THE RESUMPTION GUIDANCE**

This announcement is made by China Saite Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.24A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 22 June 2020, 22 July 2020, 8 September 2020, 30 September 2020, 23 October 2020, 19 November 2020, 8 December 2020, 28 December 2020, 26 March 2021, 30 March 2021, 31 March 2021, 7 May 2021, 3 June 2021, 6 June 2021, 22 June 2021, 13 September 2021, 21 September 2021, 5 October 2021 and 11 October 2021 (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

#### **RESUMPTION GUIDANCE**

The Stock Exchange has set out the following Resumption Guidance for the Company in July 2020, September 2020 and December 2020 for the resumption of trading in shares of the Company:

1. conduct an appropriate independent investigation into the issues identified in the Resignation Letter, announce the findings and take appropriate remedial actions (“**RG 1**”);
2. conduct an independent internal control review and demonstrate that the Company has in place adequate internal control and procedures to comply with the Listing Rules (“**RG 2**”);

3. publish all outstanding financial results and address any audit modifications (“**RG 3**”);
4. announce all material information for the Company’s shareholders and other investors to appraise the Company’s position (“**RG 4**”);
5. to have the winding up petitions (or winding-up orders, if made) against the Company withdrawn or dismissed (“**RG 5**”);
6. demonstrate compliance with Rule 13.24 of the Listing Rules (“**RG 6**”); and
7. demonstrate that there is no reasonable regulatory concern about the management integrity and competence, and/or the integrity and competence of any persons with substantial influence over the Company’s management and operations, which may pose a risk to investors and damage market confidence (“**RG 7**”).

**UPDATE ON THE EXPECTED TIMELINE IN FULFILLING THE RESUMPTION GUIDANCE**

The following table sets forth the update in the expected timetable for fulfilling the Resumption Guidance:

<b>Resumption Guidance</b>	<b>Expected timeline</b>
RG1	<p>The Independent Board Committee had engaged the Independent Legal Adviser to provide legal advice on matters relating to the Independent Investigation, and through the Independent Legal Adviser, had engaged RSM Corporate Advisory (Hong Kong) Limited (“<b>RSM</b>”) as the independent consultant to provide professional services and assistance.</p> <p>As at the date of this announcement, the Independent Investigation is still on-going. It is currently expected that the findings of the Independent Investigation in respect of the issues identified in the Resignation Letter will be submitted to the Board in or around late October 2021 to early November 2021. The Independent Board Committee aims to complete the investigation by the end of November 2021.</p>

- RG2                   The Company has engaged Shinewing to conduct the 2nd IC Review, and the relevant review is currently expected to be completed in or around November 2021. The Company will take appropriate measures as soon as possible thereafter to address the deficiencies and implement enhanced internal control procedures based on the recommendations of Shinewing. A follow-up review on the enhanced internal control procedures will then be conducted by Shinewing in order to verify and ensure that the Company has put in place adequate internal control and procedures to comply with the Listing Rules. It is currently estimated that the follow-up review would be completed in or around early December 2021.
- RG3                   The Company has engaged BDO Limited as its auditor. The audit work is still ongoing as at the date of this announcement, and it is currently expected that the audited financial results for FY2019 and FY2020, and the unaudited financial results for the six months ended 30 June 2020 (“**6M2020**”) and 30 June 2021 (“**6M2021**”) would be published in or around mid-December 2021, and the FY2019 and FY2020 annual reports as well as the 6M2020 and 6M2021 interim reports will be despatched thereafter as soon as possible.
- RG4                   Since the suspension of trading in its shares, the Company has been keeping its Shareholders and potential investors informed of all material information to appraise the Company’s position by way of announcements on the website of the Stock Exchange in accordance with the Listing Rules, including but not limited to making updates of all material information on a quarterly basis. The Company will continue to keep its Shareholders and potential investors abreast of the material developments by making further announcement(s) as and when appropriate.
- RG5                   As at the date of this announcement, the Petition filed against the Company under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) with action number HCCW 346 of 2020 has yet to be withdrawn or dismissed. The hearing of the Petition has been adjourned to 21 January 2022. As at the date of this announcement, no winding-up order has been made against the Company and the winding-up petition has no material adverse impact on the daily operations of the Group.

The Company will liaise with the petitioners and supporting creditors through their respective solicitors as to how to dispose of the Petition, before the return hearing on 21 January 2022. Subject to the agreement to be reached between the Company, the petitioners and the supporting creditors, the Company aims to procure the withdrawal or dismissal of the Petition by late December 2021.

RG6

The Group is an integrated steel structure and prefabricated construction solution service provider and is principally engaged in providing integrated construction solution services. The Group has continued its normal day-to-day business operations notwithstanding the suspension of trading in its shares. In an effort to demonstrate its compliance with Rule 13.24 of the Listing Rules, the Group has continued to develop, strengthen and expand its existing business, in particular its steel structure business.

The Board and the senior management of the Company have been making utmost effort to improve the operating performance of the Group. During the nine months ended 30 September 2021, the Group entered into new contracts with more than 30 customers (comprising, without limitations, state-owned enterprises, government institutions and private enterprises) with total contracted value of more than RMB800 million. In addition, as at 30 September 2021, the Company has entered into more than 10 letters of intent or memoranda of understanding with more than 25 potential customers regarding steel structure and prefabricated construction projects for the coming 3 years. The Board wishes to emphasise that the above information are unaudited and shall not constitute any forecast or prediction of the profits of the Group.

The Company has taken steps it believes fulfilling RG6 and is carrying out a business with a sufficient level of operation and amounts of sufficient value to support its operations to warrant the continued listing of the issuer's securities. Submission will be made to the Stock Exchange on the Company's compliance with RG6 in November 2021.

RG7

The Company will take appropriate actions and measures as soon as possible upon completion of the Independent Investigation and the 2nd IC Review to ensure that there is no reasonable regulatory concern about the management integrity and competence, and/or the integrity and competence of any persons with substantial influence over the Company's management and operations.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect since 22 June 2020 and will continue to be suspended until further notice.

The Company will publish further announcement(s) to keep its Shareholders and potential investors informed of the latest resumption progress as and when appropriate.

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

By order of the Board  
**China Saite Group Company Limited**  
**Jiang Jianqiang**  
*Chairman*

Hong Kong, 22 October 2021

*As at the date of this announcement, the executive Directors are Mr. Jiang Jianqiang, Mr. Shao Xiaoqiang, Mr. Xu Fanghua, Mr. Liu Zhibo and Mr. Hua Gang; and the independent non-executive Directors are Mr. Xu Jiaming, Mr. Yan Hualin, Mr. Wu Zhongxian, Mr. Choi Ho Yan and Mr. Siu Siu Ling, Robert.*