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**FULLSUN INTERNATIONAL HOLDINGS GROUP CO., LIMITED**

**福晟國際控股集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00627)**

**FULFILMENT OF RESUMPTION CONDITIONS  
AND  
RESUMPTION OF TRADING**

This announcement is made by Fullsun International Holdings Group Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 under 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 31 March 2021, 3 May 2021, 8 June 2021, 17 June 2021, 28 June 2021, 14 July 2021 and 28 September 2021 (collectively, the “**Announcements**”) in relation to, among other matters, the delay in publication of the 2020 Annual Results. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise defined herein.

**RESUMPTION CONDITIONS**

Trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 29 March 2021 pending the release of an announcement containing inside information relating to a very substantial disposal of the Company, which was published on 14 April 2021. Such trading halt was converted to a trading suspension with effect from 9:00 a.m. on 1 April 2021 due to the delay in publication of the 2020 Annual Results.

As disclosed in the announcement of the Company dated 8 June 2021, the Stock Exchange imposed the following resumption conditions (the “**Resumption Conditions**”) on the Company before the making of any request by the Company for the resumption of trading in the shares of the Company:

- (a) conduct the Independent Investigation, assess the impact on the Company’s business operation and financial position, announce the findings and take appropriate remedial actions;
- (b) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (c) demonstrate its compliance with Rule 13.24 of the Listing Rules; and
- (d) announce all material information for the Company’s shareholders and investors to appraise the Company’s position.

## **FULFILMENT OF RESUMPTION CONDITIONS**

The Board is pleased to announce that all the Resumption Conditions have been fulfilled as at the date of this announcement, details of which are set out below.

### **1. Resumption Condition (a) – *conduct the Independent Investigation, assess the impact on the Company’s business operation and financial position, announce the findings and take appropriate remedial actions***

#### *(i) The Independent Investigation and announcement of the findings*

As disclosed in the announcement of the Company dated 17 June 2021, the Company has engaged FTI Consulting (Hong Kong) Limited as the Independent Investigator to conduct the Independent Investigation into circumstances leading to the Company not being able to obtain the relevant financial information of Jiaxing Bojin which caused the delay in the publication of the 2020 Annual Results and produce the Investigation Report of findings on the Independent Investigation to the Company.

The Independent Investigator has completed the Independent Investigation and the Investigation Report was issued to the Company on 9 July 2021. As disclosed in the announcement of the Company dated 14 July 2021 (the “**Investigation Findings Announcement**”), based on the findings of the Independent Investigation, the failure or delay by Jiaxing Bojin to submit relevant financial information to the Company and the Auditors, which led to the delay in publication of the 2020 Annual Results, was related to the Incident in or around October 2020, whereby the Minority Shareholder attempted to restrict staff personnel of Jiaxing Bojin from obtaining access to certain corporate items, in particular the company chops and accounting books and records of Jiaxing Bojin.

Although the Minority Shareholder has no right to participate in the management and operation of Jiaxing Bojin and the Group is not obligated to inform the Minority Shareholder of the details in relation to the day-to-day management and operation of Jiaxing Bojin, as the Minority Shareholder was a 25% shareholder of Jiaxing Bojin after the Acquisition, it was able to enter the office of Jiaxing Bojin and lock the door of the room containing Jiaxing Bojin’s company chops and to procure the staff of Jiaxing Bojin to change the access code to the accounting system of Jiaxing Bojin which led to the disabling of the remote access to Jiaxing Bojin’s accounting system.

As (i) the Minority Shareholder was co-operative and allowed the management of Jiaxing Bojin to use the company chops as and when required for its daily operation; and (ii) the management (the “**Management**”) of the Group wished to maintain a dialogue with the Minority Shareholder with a view to reaching an amicable solution, the Group did not take steps to break open the room to regain access of the room until the resolution of the matter in or around May 2021.

The Independent Investigation found that the Incident was resolved in or around May 2021, when after repeated negotiations, the Minority Shareholder agreed to the Resolution, pursuant to which the Minority Shareholder released the requested financial information of Jiaxing Bojin to the Company and the Auditors, allowed the use of the company chops of Jiaxing Bojin by its management and ceased imposing restrictions on staff of Jiaxing Bojin from accessing the company chops and corporate items of Jiaxing Bojin. The Investigation Findings Announcement also disclosed, among others, the key findings (the “**Key Findings**”) of the Independent Investigation surrounding the occurrence of the Incident and the main issues identified (the “**Main Issues**”) and remedial actions recommended (the “**Recommended Actions**”) by the Independent Investigator in relation to the Incident.

For details on the Key Findings, the Main Issues and Recommended Actions, please refer to the Investigation Findings Announcement.

Further information in relation to the Resumption Condition (a) are set out as follows:

- (a) out of the 91 housing units subscribed by internal staff under the Proposal, the Independent Investigation focused on the subscription of the 50 housing units by the Former Representative because it was known to be the specific cause of concern by the Minority Shareholder (as affirmed during an interview conducted with the Minority Shareholder Representative) that gave rise to the occurrence of the Incident;
- (b) it was noted by the Directors that:
  - (i) the dates and/or discounts for the housing units shown on documents such as agreements, notices and invoices in relation to the subscription/sales of each of the 41 housing units subscribed by internal staff who were not the Former Representative under the Proposal were consistent with the relevant deadlines and discounts set out in the Proposal;
  - (ii) the financial records of Jiaxing Bojin showed that the subscription price of each of the housing units were identical to the price of the relevant housing units on-sold to the end-purchasers and the discounts and subscription prices set out in the Master Price List;

- (iii) the subscription/sales of the housing units was authorized pursuant to a resolution of the board of directors of Jiaxing Bojin dated 24 December 2018; and
  - (iv) subscription agreements were entered into between Jiaxing Bojin and the internal staff of Jiaxing Bojin in respect of the subscription of each of the housing units and the sale and purchase agreements were entered into between Jiaxing Bojin and the end-purchasers in respect of the on-sale of each of the housing units;
- (c) based on paragraph (b) above and the investigation results of the 50 housing units covered by the Independent Investigation, the Directors are of the view that:
- (i) the subscription/sales of all 91 housing units were conducted in accordance with the terms of the Proposal;
  - (ii) the discounts and subscription prices of all 91 housing units were in line with the approved Master Price List and/or internal policy, and the same as the price on-sold to the end-purchasers;
  - (iii) the subscription/sales of all 91 housing units were duly approved by Jiaxing Bojin with written contracts; and
  - (iv) the relevant internal staff (including the Former Representative) did not have any personal benefit including receiving any fees/commissions as a result of entering into subscriptions/sales of the housing units;
- (d) based on paragraphs (a) and (b) above, the independent non-executive Directors are of the view that the scope of the Independent Investigation, without including the 41 housing units, was sufficient and appropriate;

- (e) a statement in the Investigation Report that comparable schemes similar to the Proposal were implemented by other subsidiaries of the Group during the relevant period was based on management presentation provided by Mr. Chen Zhixiong, the General Manager of Jiaxing Bojin. There were no other property development projects undertaken by Jiaxing Bojin for which the Independent Investigator could obtain additional corroborating information specific to Jiaxing Bojin. However, the Independent Investigator has been provided by the Company with, by way of illustrative example, sample documentation including an approved housing unit subscription plan and property price list in relation to a comparable internal staff subscription scheme implemented by another member of the Group located in Hunan Province dated 25 April 2018 during the similar period to the Proposal;
- (f) based on terms of other internal staff subscription schemes previously implemented by other members of the Group which followed market practice in the PRC real estate development industry, the independent non-executive Directors are of the view that the Proposal is comparable to the other schemes of the Group and follows usual market practice for real estate developers in the PRC. Such view was because the terms of the Proposal are similar to those of similar schemes implemented by other real estate developers in the PRC. Information of the terms of those similar schemes are passed to the Group from various sources from time to time, and through this, the Group is able to update itself with the latest practice in the PRC real estate development industry;
- (g) Apart from the 91 housing units, the Group has also had transactions under other similar schemes relating to separate real estate development projects in the PRC. Not all real estate development projects of the Group necessarily implement a scheme similar to the Proposal. The objective of the Proposal was to, among others, promote sales of properties of the Project through offering housing units by internal staff for procurement for purchases at small pre-approved discounted prices, which enhanced the overall attractiveness of the Project. Whether a scheme similar to the Proposal would be implemented for a real estate development project would depend on, among others, the geographical region where such project is located and the prevailing market conditions of the PRC real estate market at the time.

As at the date of this announcement, the Group has no plan to implement similar schemes in its other property development projects;

- (h) the Company is unable to obtain any status update of the complaint lodged to the Public Security Bureau by the Minority Shareholder in February 2021 from the Public Security Bureau. However, the Company has, upon enquiry, been informed by the Minority Shareholder that it has not received any information in relation to its complaint from the Public Security Bureau. The Company has also attempted to contact the Former Representative to enquire about whether he had any information on the status of the official investigation, but was unable to contact the Former Representative. As such, save for the information as disclosed in the Investigation Report, the Company does not have any further details of the complaint or information of the current status of the Public Security Bureau's investigation;
- (i) in relation to the status of the total consideration (the “**Consideration**”) of RMB430.50 million payable by the Group to the Vendors in relation to the Acquisition, as at the date of this announcement, an aggregate of RMB347.45 million, being part of the Consideration, has been settled, with a balance (the “**Balance**”) of RMB83.05 million remaining outstanding.

As set out in the announcement of the Company dated 6 September 2018, under the Equity Transfer Agreement, completion of the Acquisition falls on the date on which registration (the “**Registration**”) in respect of the transfer of 75% of the equity interest in Jiaxing Bojin to the Group with the relevant Administration of Industry and Commerce is completed. The Registration was completed on 7 September 2018 and the Acquisition has been completed and the Company's control over Jiaxing Bojin is valid and legally binding.

Subsequent to entering into the Equity Transfer Agreement but prior to the Registration, it was orally agreed between the Minority Shareholder and the Group that the payment of the Balance would only be due upon the sale of properties under the Project. Such settlement plan remains effective as at the date of this announcement.

The Minority Shareholder has no participation in the management and operation of Jiaxing Bojin and the Group is not obligated to inform the Minority Shareholder of the details in relation to the management and operation of Jiaxing Bojin. Since the completion of the Acquisition, the Group has been in charge of the management and operation of Jiaxing Bojin.

The Incident was the result of a misunderstanding between the Group and the Minority Shareholder, with the Incident now having been resolved and the Group having regained complete access and control of the accounting system, the company chops and the accounting books and records of Jiaxing Bojin. Since the resolution of the Incident, the Group has improved its communications with the Minority Shareholder to prevent the risk of events similar to the Incident from arising in the future.

Furthermore, the Group has adopted and implemented the Remedial Actions which include, among others, the adoption and implementation of the Financial Reporting Workflow, the System Access Policy and the Chop Management Policy, to protect its interests in Jiaxing Bojin and to strengthen its risk management and internal control systems to address the issues which caused the Incident and to prevent similar issues from arising in the future; and

- (j) in relation to the status of the outstanding lawsuit concerning a loan agreement between a lender to Jiaxing Bojin (as the plaintiff) and Jiaxing Bojin (as the defendant), with the amount being claimed against Jiaxing Bojin being RMB31 million (as first disclosed in the announcement of the Company dated 6 September 2018), a judgment was entered on 27 December 2019 in favour of the plaintiff, with the plaintiff to receive the amount claimed plus interest, litigation fees and legal fees. Approximately RMB37 million, being the amount claimed plus all costs arising from the outstanding lawsuit, including interest, litigation fees and legal fees, was settled by Jiaxing Bojin on 20 February 2020.

The claim amount of RMB31 million under the lawsuit was taken into account by the Group when determining the consideration in relation to the Acquisition. Under the Equity Transfer Agreement, the Vendors have agreed to be responsible for all costs arising from the outstanding lawsuit, including but not limited to litigation fees, legal fees and sums payable to the plaintiff. The Vendors and the Group have agreed that all costs arising from the outstanding lawsuit payable to the plaintiff of approximately RMB6 million will be set off against the Balance on a dollar-for-dollar basis. Such costs are immaterial compared with the profit of the Group for the year ended 31 December 2019 of approximately RMB124 million and as such, the Board is of the view that the lawsuit would not have any material adverse impact on the Company's business operation and financial position.



The total assets, revenue and profit/loss before taxation of Jiaxing Bojin for the years ended 31 December 2019 and 2020 relative to the Company are set out below:

	Year ended 31 December 2019			Year ended 31 December 2020		
	Jiaxing Bojin	Company	% of Jiaxing Bojin relative to the Company	Jiaxing Bojin	Company	% of Jiaxing Bojin relative to the Company
Total assets (RMB)	964,866,039	13,905,599,000	6.94%	1,117,919,776	12,588,148,000	8.88%
Revenue (RMB)	Nil	1,596,181,000	N/A	Nil	1,164,653,000	N/A
Profit/(loss) before taxation (RMB)	(27,453,666)	277,438,000	N/A	(50,582,961)	(1,390,525,000)	N/A

(ii) *Remedial Actions and assessment of the impact on the Company's business operation and financial position*

Remedial Actions

The Directors have reviewed and accepted the Key Findings, the Main Issues and the Recommended Actions, and the Company has set out details of the Remedial Actions to be implemented by the Group to enhance its internal control procedures based on the Recommended Actions. For details of the Remedial Actions, please refer to the sub-section headed “Main issues identified and remedial actions recommended by the Independent Investigator and remedial measures to be implemented by the Group” in the Investigation Findings Announcement.

In order to address the Group's (i) reliance on informal arrangements and departmental customs for financial reporting; (ii) lack of comprehensive information security policy in relation to access rights to sensitive electronic information systems; and (iii) informal procedures and lack of proper audit trails in respect of usage of company chops, the Company has adopted and implemented the Remedial Actions in full, which included, among others, establishing and adopting the Financial Reporting Workflow, the System Access Policy and the Chop Management Policy.

As at the date of this announcement, the Group has complete access and control of the accounting system of Jiaxing Bojin. Since the adoption and implementation of the System Access Policy, the accounting system of Jiaxing Bojin has been integrated under the direct control of the accounting system of the Group.

In addition, the Company has engaged Ruizhi (Shenzhen) Consulting Co., Ltd\* (睿致(深圳)諮詢有限公司) (“**Ruizhi**”) as its internal control consultant to conduct a review (the “**Internal Control Review**”) of the adoption and implementation of the Remedial Actions by the Group.

During the Internal Control Review, Ruizhi has reviewed the adoption and implementation of the Remedial Actions and was of the view that the Company has fully adopted and implemented the Remedial Actions.

As the purpose of the Internal Control Review was to confirm whether the remedial actions recommended by the Independent Investigator in relation to the Incident had been adopted and implemented by the Group, the independent non-executive Directors are of the view that the scope of the Internal Control Review was sufficient and appropriate.

Having considered the adoption and implementation of the Remedial Actions and the findings of the Internal Control Review, the Directors are of the view that the Remedial Actions adopted and implemented by the Company are sufficient and adequate to address the Main Issues and that the Group maintains sufficient and adequate internal controls over Jiaxing Bojin.

Taking into account (i) the Remedial Actions which have been adopted and implemented by the Company (as supported by the results of the Internal Control Review), which included, among others, the adoption and implementation of the Financial Reporting Workflow, the System Access Policy and the Chop Management Policy, specifically to address the issues identified by the Independent Investigator relating to the Incidents; and (ii) the Group having regained complete access and control of the accounting system, the company chops, and the accounting books and records of Jiaxing Bojin, the audit committee (the “**Audit Committee**”) of the Board is of the view that the Group’s risk management and internal control systems, as strengthened by the Remedial Actions, are sufficient and adequate (i) for the Company to exert control over Jiaxing Bojin; and (ii) to address the issues which caused the Incidents and to prevent similar issues from arising in future.

Assessment on the impact on the Company's business operation and financial position

With reference to the findings of the Independent Investigation and the Internal Control Review, the Directors note that:

- (i) the Subscription Transactions were duly executed in accordance with the terms of the Proposal. The subscription prices of the housing units subscribed by the Former Representative under the Subscription Transactions were identical to the sale prices of the corresponding housing units on-sold by him to end-purchasers and the Board was not aware of any receipt of commission or other forms of personal gains by the Former Representative from Jiaxing Bojin arising from the Subscription Transactions. The Company was aware of the Subscription Transactions at all material times;
- (ii) although the Minority Shareholder had restricted staff personnel of Jiaxing Bojin to certain corporate items of Jiaxing Bojin, there had been no disruption or impact to the daily operations of Jiaxing Bojin as the Minority Shareholder had continued to allow Jiaxing Bojin's management to use the company chops, as and when required, for daily operations;
- (iii) despite the delay in publication of the 2020 Annual Results and the 2020 Annual Report, the Company has since published the 2020 Annual Results and the 2020 Annual Report in which the Auditors have expressed an unqualified opinion on the Company's consolidated financial statements for the year ended 31 December 2020 and that the material uncertainty in relation to the Group's ability to continue as a going concern in such financial statements was unrelated to the Incident; and
- (iv) the Company has strengthened its internal control, having adopted and established improved internal control procedures in the form of the Remedial Actions (including the Financial Reporting Workflow, the System Access Policy and the Chop Management Policy) to remedy the Main Issues.

Based on the above, the Directors are of the view that the Incident has had no material adverse impact on the Company's business operation and financial position.

Accordingly, the Company is of the view that it has fulfilled Resumption Condition (a).

**2. Resumption Condition (b) – *publish all outstanding financial results required under the Listing Rules and address any audit modifications***

The Company has published the 2020 Annual Results, the 2020 Annual Report, its interim results announcement for the six months ended 30 June 2021 and interim report for the six months ended 30 June 2021 on 9 July 2021, 19 July 2021, 27 August 2021 and 3 September 2021 respectively. The Auditor issued an unqualified opinion on the consolidated financial statements of the Company for the year ended 31 December 2020, but included a paragraph with a reference to material uncertainty related to going concern to which the Auditor drew attention by way of emphasis without qualifying its report.

Such material uncertainty over the Group's ability to continue as a going concern was due to the Group (i) having as at 31 December 2020, total borrowings and convertible bonds of approximately RMB3,920,954,000 and approximately RMB11,316,000 respectively which were classified as current liabilities and borrowings of approximately RMB6,378,000 which were classified as non-current liabilities; and (ii) having incurred a gross loss of approximately RMB210,942,000 and a net loss of approximately RMB1,393,076,000 for the year ended 31 December 2020. As at 31 December 2020, the Group only had cash and cash equivalents (including bank balances and cash attributable to assets held for sale) of RMB582,121,000.

The Management has been negotiating and will continue to negotiate with the lenders with a view to reaching an agreement to refinance, extend or restructure the Group's borrowings. As at the date of this announcement, out of the total borrowings of the Group in the sum of RMB3,017,926,000, RMB2,053,801,000 have been assessed and considered by the Management, with respect to their respective negotiation progress with lenders, to be highly probable to be extended. The Company is of the view that the extension of its borrowings of RMB2,053,801,000 is highly probable for the reasons that (i) such borrowings are part of the outstanding loans of the Group which are expected to be extended or renewed for supporting the ordinary course of business of the Group, which the lenders understand; and (ii) such borrowings are secured by collateral in the form of assets of the Group which are used by the Group to generate cash flow for repaying its borrowings, and the lenders are aware of the fact that repayment of such borrowings by the Group with such cash inflow requires more time than is currently provided for under the terms of such borrowings.

As at the date of this announcement, one of the relevant borrowings of the Group has been formally extended by the lenders.

The Group entered into an agreement with one of its lenders on 19 November 2021 to extend the maturity date of the Group's borrowings from such lender with an outstanding principal amount of RMB8,216,400 from 20 November 2021 to 20 November 2024. In relation to one outstanding loan with an outstanding principal amount of approximately RMB890,886,000, after negotiations between the Group and the lender, the Group has reached an understanding with the lender to extend the repayment date of the outstanding loan. The parties are in the process of preparing the legally binding documentation as at the date of this announcement.

The Management expects borrowings of RMB1,548,085,000 (RMB867,402,000 was already overdue as at the date of this announcement) to be extended by 31 December 2021, with part of the remaining sum of the borrowings to be extended by 31 December 2022. As at the date of this announcement, none of the lenders has declared the relevant borrowings of the Group immediately due and payable.

A breakdown of the Group's indebtedness portfolio as at 31 October 2021 is set out below:

<b>Maturity Date</b>	<b>Outstanding amount (RMB'000)</b>
Overdue	2,053,801
Repayable within 1 year	937,850
Revolving loan with no maturity date	<u>26,275</u>
	<u>3,017,926</u>

*Notes:*

- (i) the Balance is not included in the above table.
- (ii) the Group has entered into an agreement with a lender to extend the maturity date of the Group's borrowings from such lender with an outstanding principal amount of RMB8,216,400 from 20 November 2021 to 20 November 2024.

The Management has been in frequent contact with the remaining lenders and understands that they are open to discussion on extending the relevant borrowings of the Group. The Group is currently working with the relevant lenders towards extending the Group's remaining borrowings and will use its best endeavours to do so.

As at 30 June 2021, the Group had RMB2,268,600,000 properties for sales that are available for sale in the course of ordinary business. The contracted sales amount of the Group's properties available for sale since 1 January 2021 and up to the date of this announcement is approximately RMB452,650,000, of which approximately RMB344,915,000 has been received by the Group.

In order to address the going concern issue, since 30 June 2021 the Group has continued to dispose of its properties for sales in the PRC and Hong Kong that are available for sale in the course of ordinary business. The Group plans to continue with the disposal of its properties for sales.

On 15 September 2021, the Group completed the disposal (the “**Splendor Keen Disposal**”) of (i) the entire issued capital in Splendor Keen Limited, an indirect wholly-owned subsidiary of the Company, and (ii) the shareholder's loan owned by Splendor Keen Limited to the Group. As at the date of this announcement, out of the proceeds of HK\$791,285,000 arising from the Splendor Keen Disposal (HK\$790,000,000 being the consideration and HK\$1,285,000 being the positive NAV adjustment), HK\$769,920,000 has been used for the repayment of bank and other borrowings and HK\$21,365,000 has been used for payment of legal and professional fees in relation to the Splendor Keen Disposal.

The Group is constantly monitoring the situation in relation to the going concern issue and will also continue to explore other methods of reducing the Group's maturing indebtedness, such as seeking other alternative financing, reducing all non-essential costs and consider realising the Group's assets.

Whether the emphasis of matter on material uncertainty on going concern in relation to the Company's financial statements for 2020 expressed by the Auditors (the "EOM") would be removed in the auditors' report for the year ending 31 December 2021 is largely dependent on whether (i) the Group could meet its obligations from its external borrowings; (ii) the Group is successful in negotiating for extension of its relevant borrowings; and (iii) the Group is successful in implementing other alternative financing, including negotiation with constructors to extend the payment terms, reduction of all non-essential costs and considering the possibility of realisation of the Group's assets.

At the meeting of the Audit Committee held on 9 July 2021, the Auditor reported to the Audit Committee the key matters in respect of its audit of the financial statements of the Group for the year ended 31 December 2020, including, among others, the EOM. The EOM was noted by the Audit Committee.

Based on the reasons above, (i) the Directors expect that the Group will be able to satisfy the above requirements on or before 31 December 2022 for the EOM to be removed for the year ending 31 December 2022; (ii) the Audit Committee, having reviewed and considered the measures and the action plan and timelines to resolve the EOM mentioned above, agree with the Management's position concerning the EOM; and (iii) the Directors believe that the Group has sufficient working capital to meet its financial obligations and to address the material uncertainty over the Group's ability to continue as a going concern. For further details in relation to the working capital sufficiency of the Group, please refer to the information on the working capital of the Group set out under the heading "Working Capital Sufficiency of the Group" in Appendix I to the circular of the Company dated 24 August 2021 in relation to the Splendor Keen Disposal.

The Company confirms that, as at the date of this announcement, it has published all outstanding financial results as required under the Listing Rules and addressed all audit modifications.

Accordingly, the Company is of the view that it has fulfilled Resumption Condition (b).

**3. Resumption Condition (c) – *demonstrate the Company’s compliance with Rule 13.24 of the Listing Rules***

The principal activity of the Company is investment holding and the Group is principally engaged in property development and property investment business.

As disclosed in the 2020 Annual Report, the audited consolidated current assets, current liabilities and net assets of the Group as at 31 December 2020 were approximately RMB11,502,663,000, RMB10,818,320,000 and RMB1,453,146,000 respectively, and the audited consolidated total revenue of the Group for the year ended 31 December 2020 was approximately RMB1,164,653,000.

As at 31 December 2020, the Group owned 15 projects under development and for sale with a total gross floor area of approximately 1,462,385 square meters, approximately 1,160,401 square meters of which was attributable to the Group. For the year ended 31 December 2020, the revenue from the sales of properties was approximately RMB1,157,866,000, which was mainly derived from sales of Qianlong International (錢隆國際) in Kaifu District, the PRC, Ningde Fullsun Country Garden • Tianjiao (寧德福晟碧桂園 • 天驕) in Jiaocheng District, the PRC, Fullsun International Financial Centre (福晟國際金融中心) in Yuelu District, the PRC (“**Fullsun IFC**”) and Qianlong Royal Family (錢隆世家) in Kaifu District, the PRC and La Salle Residence (晟林) in Ho Man Tin, Hong Kong.

The Group also owned 2 investment properties with a total gross floor area attributable to the Group of 43,533 square meters. Rental income for the year ended 31 December 2020 was approximately RMB6,787,000, which was mainly derived from Fullsun IFC.



The Company expects that with the effective control of the COVID-19 pandemic and support of government policies, the macro-economy of the PRC and the city clusters of the middle reaches of the Yangtze River Region will be generally restored, which will boost the confidence of the real estate market and see a gradual increase in demand. In the meantime, the Group will continue to adopt a flexible sales strategy to balance liquidity and profitability. The Group will continuously review the development of existing projects and its existing project portfolio and consider disposing of any underperforming investment properties or projects. On 15 September 2021 the Group completed the disposal of its holdings in Enterprise Square 3 (企業廣場三期) in Kowloon Bay, Hong Kong under the Splendor Keen Disposal for a total consideration of HK\$790,000,000 (equivalent to approximately RMB664,896,000) in order to enhance its cashflow and for the purpose of settling its outstanding borrowings.

As at 30 June 2021, the Group owned 15 projects under development and for sale with a total gross floor area of approximately 1,411,962 square meters, approximately 1,140,365 square meters of which was attributable to the Group. As at 31 October 2021, (i) 468,154 square meters attributable to the Group remains under construction; and (ii) 672,211 square meters attributable to the Group have completed construction.

Since 1 January 2021 and up to the date of this announcement, 35,397 square meters attributable to the Group have been sold.

The progress of the projects have been in line with their respective original timetables, save for the postponement of the completion schedule of one project with a total gross floor area of approximately 51,207 square meters attributable to the Group due to the Group having taken the initiative to reduce its pace of construction in anticipation of the expected slowdown in sales of apartments in the market as indicated by an assessment of the market by the Group during the third quarter of 2021.

Taking into account the above, the Directors consider that the Company has carried out a business with a sufficient level of operations and has assets of sufficient value to support its operations to warrant the continued listing of its securities in compliance with Rule 13.24 of the Listing Rules.

Accordingly, the Company is of the view that it has fulfilled Resumption Condition (c).

**4. Resumption Condition (d) – *announce all material information for the Company's shareholders and investors to appraise the Company's position***

Since the suspension of trading of the shares of the Company, the Company has kept its shareholders and investors informed of all material information to appraise the Company's position by way of announcements published on the website of the Stock Exchange.

Accordingly, the Company is of the view that it has fulfilled Resumption Condition (d).

**RESUMPTION OF TRADING**

As all the Resumption Conditions have been satisfied, the Company has made an application to the Stock Exchange for resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 26 November 2021.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Fullsun International Holdings Group Co., Limited**  
**Pan Haoran**  
*Executive Director and Chief Executive Officer*

Hong Kong, 25 November 2021

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Pan Haoran and Mr. Li Jinrong and three independent non-executive Directors, namely Mr. Kong Tat Yee, Mr. Yau Pak Yue and Mr. Zheng Zhen.*

\* *for identification purpose only*