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CHINA CREATIVE GLOBAL HOLDINGS LIMITED

中創環球控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1678)

QUARTERLY UPDATE ON STATUS OF RESUMPTION

This announcement is made by China Creative Global Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.10(2) and 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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 1 September 2020, 5 January 2021 and 1 June 2021 respectively (the “**Announcements**”), in relation to, among others, the suspension of trading in the shares of the Company on the Stock Exchange and quarterly updates on status of resumption. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements. The board of directors of the Company (the “**Board**”) wishes to provide the shareholders of the Company (the “**Shareholders**”) further update as follows:

BUSINESS OPERATIONS

Reference is made to the announcements of the Company dated 18 March 2021, 7 May 2021 and 11 May 2021, in relation to, among others, the transfer of the subsidiaries under Allen International Holdings Limited (the “**Transfer**”), the announcement dated 18 August 2021 in relation to, among others, the deconsolidation of the subsidiaries and the announcement dated 6 July 2021 in relation to, among others, forensic investigation in to the Transaction. The Company’s management advises that Maninvest has produced its first investigation report and based on this report, the Company’s management shall take further actions to recover the Company’s major assets from the illegal transfer of the subsidiaries. Further announcement in this respect shall be made soon.

As stated in the Company’s announcement dated 15 October 2021, the Company has acquired 51% in Gold Future Industrial Limited (“**Gold Future Industrial Limited**”), which is principally engaged in manufacturing and trading of artificial flowers and decoration for Christmas via convertible bonds issued general mandate. The Company shall expect that Gold Future shall contribute significant cash flows to the Group.

In addition to Gold Future, the Company has fruitful discussions with various potential cooperative parties, including Buy Home Limited which the Company has entered into a Memorandum of Understanding to form a strategic alliance on 8 July 2021.

Save as the foregoing mentioned above, the Board advises that the Board members are still working hard to look new businesses to the Group, in order to fulfill the requirements under Rule 13.24(1) of the Listing Rules.

UPDATES ON WINDING UP PETITION AND CREDITORS

We refer to the Company's announcement dated 14 September 2021, in relation to, among others, the updates on the winding up petitions. The Company arranged AH Lawyers and a barrister to attend and represent for the Company in the High Court hearing on 14 September 2021. It was held in this hearing that the High Court dismissed the Petition made by Mr. Yao. Thereafter, the Company has no outstanding winding up matters.

Meanwhile, in order to achieve a settlement scheme with the Company's creditors, the Company has invited the bond holders to attend for an informal creditors' meeting on 18 November 2021. The Company's management has explained to the bond holders the financial difficulties which the Company is now encountering and the general ideas of the scheme to be proposed in the formal creditors' meeting. After this meeting, the Company shall plan for a formal creditors' meeting soon.

2019 AND 2020 AUDITED FINANCIAL STATEMENTS

As mentioned in the Company's announcement last quarterly update on 10 September 2021, the management expects that the Company's financial statements for the year ended 31 December 2019 shall be ready by the end of September 2021. However, since the information for the subsidiaries under deconsolidation is not easily accessible, there are some breakdowns and figures pertaining to the notes in the financial statements have some difficulties to be prepared and required further time to process them. The Board are currently working hard with the auditors and expecting that the financial statements for the year ended 31 December 2019 will be finalised and ready for publication by the end of December. Thereafter, the Board is targeting to catch up the audits of the 2020 financial statements as soon as possible.

PROGRESS ON FORENSIC INVESTIGATION

The Board also refers to the Company's announcement made on 6 July 2021 in relation to the appointment of Maninvest Asia Limited ("Maninvest"), an independent professional firm to undertake a forensic investigation in relation to the Transactions under Allen International.

As discussed above, the First report has been delivered by Maninvest, which provides the preliminary findings from Maninvest in respect of the subsidiaries under the illegal transfer. After reviewing this report, the Company's management shall take further actions to recover the losses from the deconsolidation subsidiaries and shall update the shareholders, investors and creditors further once required.

ISSUANCE OF SHARES AND CONVERTIBLE BONDS

As discussed above, the Company has issued the convertible bonds on 15 October 2021 to finance the acquisition of the Gold Future. In addition, on 31 October 2021, in order to provide the Company's operating funds and working capital, the Company has also issued shares to the investor. The subscriptions of shares and convertible bonds are all issued under the General Mandate. Nevertheless, it is agreed with the Exchange that the issuance shall be amended to Specific Mandate and shall obtain the shareholders approval in the coming Annual General Meeting.

RESUMPTION PLANS

Reference is made to the Company's announcement on 1 June 2021, pertaining to the resumption guidance and additional resumption guidance issued by the Stock Exchange on 25 November 2020 and 31 May 2021 respectively.

Under Rule 6.01A of the Listing Rules, the Stock Exchange may cancel the Company's listing if trading in the Company's shares has been suspended for 18 continuous months, expiring on 28 February 2022 (the "**Period**"). The Stock Exchange requests the Company to fulfill the Resumption Conditions before the expiry of the Period to avoid delisting.

On 28 October 2021, the Company has appointed Fruit Tree Corporate Finance Company Limited (the "Adviser") as its financial adviser. The Adviser shall assist on the Company's various corporate finance matters such as debt restructuring, and compliance matters on listing in the Exchange, and assist the Company's preparation of its resumption proposal to be submitted to the Exchange which is expected to be delivered shortly after the Company's Annual General Meeting and Creditors' meeting to be taken soon.

In addition, to improve the Company's internal control, the Company has also engaged an internal audit manager who is a fully qualified accountant to build up and strengthen its internal control.

The Company is committed to the Resumption Guidance and will make further announcement as and when appropriate should there be any material development on the Resumption Guidance.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended since 9:00 a.m. on 1 September 2020 and will remain suspended until the Company fulfills the Resumption Conditions.

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

By order of the Board
China Creative Global Holdings Limited
Mr. Wu Ming Fat, Simon
Chairman

Hong Kong, 3 December 2021

As at the date of this announcement, the executive directors of the Company are Mr. Wu Ming Fat, Simon, Ms. Ching Wan Wah, Kitty, Mr. Shen Jianzhong (Suspended), Mr. Zhang Zhisen, Mr. Wu Ming Chit William, Ms. Li Lai Ying and Mr. Zheng Hebin (Suspended); and the independent non-executive director of the Company are Mr. Huang Songqing (Suspended), Mr. Chan Yui Hang, Mr. Wong Shun Ching and Mr. Wong Sik Kei.