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SUN CHEONG CREATIVE DEVELOPMENT HOLDINGS LIMITED

新昌創展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Provisional Liquidators Appointed)

(For Restructuring Purposes)

(Stock code: 1781)

FORMATION OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

References are made to (i) the announcement of the Sun Cheong Creative Development Holdings Limited (the “**Company**”) dated 8 November 2021 (the “**Restructuring Announcement**”) in relation to, among other things, the proposed Restructuring involving Share Consolidation and the Increase in Authorised Share Capital, the Subscription, the Creditors Schemes involving possible grant of the Share Options and the Put Options and the Whitewash Waiver; and (ii) announcements dated 30 November 2021, 30 December 2021, 25 January 2022 and 25 February 2022 in relation to, among other things, the delay in despatch of the circular (the “**Circular**”) in connection with the Restructuring and the Whitewash Waiver. Unless otherwise specified herein, capitalised terms used herein shall have the same meanings as those defined in the Restructuring Announcement.

FORMATION OF INDEPENDENT BOARD COMMITTEE

As disclosed in the Restructuring Announcement, in compliance with Rule 2.8 of the Takeovers Code, an independent board committee (the “**Independent Board Committee**”) comprising all independent non-executive Directors will be established to advise the Independent Shareholders, among other things, as to whether the terms of the Restructuring and the Whitewash Waiver are fair and reasonable as well as in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the advice of the independent financial adviser (the “**Independent Financial Adviser**”) to be appointed in such regard in accordance with the requirements under the Takeovers Code and the Listing Rules.

The Board wishes to inform the Shareholders that the Company has formed an independent board committee, comprising Dr. Chan Kai Yue Jason, Ms. Lin Weiqi Wendy and Mr. Wong Chi Kei, being all the independent non-executive Directors, to advise the Independent Shareholders as to whether the terms of the Restructuring and the Whitewash Waiver are fair and reasonable as well as in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the advice of the Independent Financial Adviser.

The recommendation of the Independent Board Committee will be included in the Circular to be despatched to the Shareholders and in compliance with the Takeovers Code and the Listing Rules.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board wishes to announce that pursuant to Rule 2.1 of the Takeovers Code, Lego Corporate Finance Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription, the possible grant of Share Options and Put Options and the Whitewash Waiver. The appointment of Lego Corporate Finance Limited as the Independent Financial Adviser has been approved by the Independent Board Committee.

The letter of advice from the Independent Financial Adviser will be included in the Circular to be despatched to the Shareholders and in compliance with the Takeovers Code and the Listing Rules.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company has been suspended since 9:00 a.m. on 2 July 2020, and will remain in suspension until further notice.

Shareholders and potential investors of the Company should accordingly exercise caution when dealing in the securities of the Company.

By order of the Board
Sun Cheong Creative Development Holdings Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
CHAN Sai On Bill
Executive Director

Hong Kong, 28 February 2022

As at the date of this announcement, the executive Directors are Mr. CHAN Sai On Bill, Mr. NG Chun Chung and Mr. Jason Martin Westcott; and the independent non-executive Directors are Dr. CHAN Kai Yue Jason, Ms. LIN Weiqi Wendy and Mr. WONG Chi Kei.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.