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三盛控股

Sansheng Holdings (Group) Co. Ltd.

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三盛控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2183)

INSIDE INFORMATION – LITIGATIONS

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

The Company has recently received claim materials in respect of litigation case No. (2021) Lu 02 Min Chu No.2433 ((2021)魯02民初2433號) (the “**Qingdao Litigation**”) from the Intermediate People’s Court of Qingdao Municipality, Shandong Province (the “**Qingdao Court**”) and claim materials in respect of litigation case No. (2021) Chuan 01 Min Chu No.10707 ((2021)川01民初10707號) (the “**Chengdu Litigation**”) from the Intermediate People’s Court of Chengdu Municipality, Sichuan Province (the “**Chengdu Court**”). Mr. Lin Rongdong (林榮東) is the plaintiff (the “**Plaintiff**”) and the Group is one of the defendants in the above two litigations, the basic circumstances of which are as follows:

The Qingdao Litigation:

The Plaintiff filed a complaint in the Qingdao Court against the Company, Mr. Lin Rongbin, Fuzhou Sansheng Property Co., Ltd.* (福州三盛置業有限公司) (“**Fuzhou Sansheng**”) and Fuzhou Bosheng Investment Co., Ltd.* (福州伯盛投資有限公司) (“**Fuzhou Bosheng**”) (a subsidiary of the Company). The Plaintiff claimed that the four defendants had transferred the Plaintiff’s alleged 25.5% equity interests in Qingdao Sansheng Investment Co., Ltd.* (青島三盛投資有限公司) (“**Qingdao Sansheng**”) without his authorization. Therefore the Plaintiff sought an order from the Qingdao Court that the four defendants to jointly and severally compensate the Plaintiff for an economic loss of RMB766,606,500 and bear all the litigation costs.

The Chengdu Litigation:

The Plaintiff filed a complaint in the Chengdu Court against the Company, Mr. Lin Rongbin, Fuzhou Sansheng, Fuzhou Bosheng, Chengdu Jisheng Property Co., Ltd. (成都吉盛置業有限公司) (“**Chengdu Jisheng**”) (a subsidiary of the Company) and Chengdu Sansheng Real Estate Development Co., Ltd.* (成都三盛房地產開發有限公司) (“**Chengdu Sansheng**”) (a subsidiary of the Company). The Plaintiff claimed that the Company, Mr. Lin Rongbin, Fuzhou Sansheng and Fuzhou Bosheng had transferred the Plaintiff’s alleged 40% equity interests in Chengdu Jisheng as well as his 50% equity interests in Chengdu Sansheng without his authorization. Therefore the Plaintiff sought an order from the Chengdu Court to the effect that the said transfers of the equity interests be ruled invalid and also to confirm the Plaintiff’s entitlement to the said equity interests and effect changes in respect of the registration of the said equity interests accordingly, to request Chengdu Sansheng and Chengdu Jisheng to provide the Plaintiff with the articles of association, resolutions and minutes of general meetings, financial accounting reports, accounting books and accounting evidence; and in the event that the above requests in the litigation could not be met, to order the Company, Mr. Lin Rongbin, Fuzhou Sansheng and Fuzhou Bosheng to jointly and severally compensate the Plaintiff for the Plaintiff’s economic loss of RMB638,800,000. The Plaintiff also sought an order for each defendant to bear all the litigation costs.

Having sought legal advice from legal advisor in relation to the above two litigations, the Company is of the view that, based on the currently available evidence, the Plaintiff’s claim against the Group for joint and several liability is not substantiated and the amounts involved in the litigations are inflated. The Company intends to vigorously defend the case and the Company’s legal rights and will consider pursuing liabilities against malicious litigants.

Reference is made to the announcement of the Company dated 24 November 2020 regarding a major and connected transaction in relation to the acquisition of a property group. Mr. Lin Rongbin has for the time being entered into a deed of indemnity with the Company, pursuant to which Mr. Lin Rongbin has agreed and undertaken to indemnify the Group, the Purchaser, any other company in the Group and/or any member of the Target Group against, among other things, all losses and liabilities which any of the Indemnified Persons may incur or suffer as a result of any issue arising from or in connection with the ownership in the Vendor, the Target Group and the Target Properties.

Having considered the legal advice and that Mr. Lin Rongbin has entered into the deed of indemnity with the Company, the Board is of the view that the above two litigations do not affect the normal operation of the Group and will not prejudice the interests of the Group. The Company will continue to closely monitor the development of the litigations and will make further announcement(s) as and when necessary to inform the shareholders and potential investors of the Company of any further material developments in the above two litigations.

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

By order of the Board
Sansheng Holdings (Group) Co. Ltd.
Lin Rongbin
Chairman

Hong Kong, 4 March 2022

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Lin Rongbin and Ms. Cheng Xuan; two non-executive Directors, namely Mr. Zhou Tao, David and Mr. Zhang Jingui; and three independent non-executive Directors, namely Mr. Pan Dexiang, Mr. Yuan Chun and Mr. Zhu Hongchao.

* *The English translation of the Chinese name is for illustration purpose only. Should there be any inconsistency, the Chinese name prevails.*