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## Chuang's China Investments Limited

(莊士中國投資有限公司)

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 298)

### INSIDE INFORMATION

This announcement is made by Chuang's China Investments Limited (the “**Company**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The principal activities of the Company and its subsidiaries (collectively as the “**Group**”) are property development, investment and trading, hotel operation and management, development and operation of cemetery, sales of goods and merchandises (including art pieces), and securities investment and trading. As disclosed in the annual report of the Company for the year ended 31 March 2021 and the interim report of the Company for the six months ended 30 September 2021 (the “**2022 Interim Report**”), as part of the principal activities, the Group has investments in high yield bonds recorded in “Financial assets at fair value through profit or loss” (the “**Bond Investment**”) with the amount of about HK\$1,220.0 million and HK\$992.7 million as at 31 March 2021 and 30 September 2021 respectively.

For the year ended 31 March 2022, the performance of the Bond Investment was adversely affected by unfavourable and high volatility of the high yield bond market. During this year, in respect of the Bond Investment, the Group expects to record bond interest and related income of about HK\$66 million, realized loss on disposal and redemption of Bond Investment of about HK\$15 million, and unrealized fair value loss on Bond Investment of about HK\$674 million as a result of mark to market prices of the Bond Investment as at 31 March 2022. The net effect of the above is a loss of about HK\$623 million. Shareholders of the Company and potential investors should, however, note that the unrealized fair value loss on Bond Investment are accounting loss with no immediate cash flow impact to the Group.

Shareholders of the Company and potential investors should also note that as disclosed in the 2022 Interim Report, the Group had during the year ended 31 March 2022 completed the disposal of the property project in Panyu, the People's Republic of China at a consideration of about RMB1.57 billion (equivalent to approximately HK\$1.90 billion as recorded in the

2022 Interim Report). The disposal in cash has greatly strengthened the Group's financial position and has generated a substantial net gain to the Group for the year ended 31 March 2022.

The Company is in the process of preparing the final results of the Group for the year ended 31 March 2022. The information contained in this announcement is only based on the preliminary assessment by the board of directors of the Company (the "Board") on the Bond Investment according to the information currently available which have not been finalized as at the date of this announcement and have not been reviewed by the Company's auditor.

**The information contained in this announcement is only based on the information currently available to the Board, and is provided for shareholders' and potential investors' reference only. Further announcement about the estimated final results of the Group for the year ended 31 March 2022 will be made. 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 of  
**Chuang's China Investments Limited**  
**Albert Chuang Ka Pun**  
*Chairman*

Hong Kong, 4 April 2022

*As at the date of this announcement, Mr. Albert Chuang Ka Pun, Miss Ann Li Mee Sum, Mr. Edwin Chuang Ka Fung, Mr. Geoffrey Chuang Ka Kam and Mr. Neville Charles Kotewall are the executive directors of the Company, Mr. Dominic Lai is the non-executive director of the Company, and Mr. Abraham Shek Lai Him, Mr. Andrew Fan Chun Wah, Dr. Eddy Li Sau Hung and Dr. Ng Kit Chong are the independent non-executive directors of the Company.*