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**中泛控股有限公司**

**CHINA OCEANWIDE HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 715)**

## **INSIDE INFORMATION**

### **LIQUIDATION ORDERS AGAINST TWO INDIRECT WHOLLY-OWNED SUBSIDIARIES OF THE COMPANY**

This announcement is made by China Oceanwide Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) and Rule 13.25(1)(b) 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) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **LIQUIDATION ORDER AGAINST OCEANWIDE INVESTMENT TWO**

Application for insolvency proceeding (the “**Petition 1**”) was initiated by National Tax and Customs Authority’s North-Budapest Tax and Customs Directorate (the “**Creditor**”) on 17 September 2021 in the Budapest Metropolitan Court (the “**First Instance Court**”) in Hungary against Oceanwide Investment Two (Hungary) Limited Liability Company (“**Oceanwide Investment Two**”), a company incorporated in Hungary and an indirect wholly-owned subsidiary of the Company.

Under the Petition 1, the Creditor stated in its petition that Oceanwide Investment Two has a payment obligation of HUF179,694,153 (equivalent to approximately HK\$3.8 million) in various tax debts. The Creditor proved the unsuccessful enforcement proceeding regarding a HUF156,411,000 (equivalent to approximately HK\$3.3 million) tax debt with rejected direct debit order, which could not be executed due to insufficient funds. Oceanwide Investment Two received notice of the First Instance Court and the Petition 1 on 30 September 2021. As the debt under the Petition 1 was not settled, the First Instance Court made an order on 23 December 2021 declaring Oceanwide Investment Two insolvent in accordance with Paragraph c of Subsection 2 of Section 27 of Act XLIX of 1991 on Bankruptcy Proceedings and Liquidation Proceedings of Hungary (the “**Liquidation Order 1**”).

Under the Liquidation Order 1, the First Instance Court ordered Oceanwide Investment Two to:

- (i) pay HUF35,000 (equivalent to approximately HK\$700) of procedural fees to the Creditor within 15 days after the Liquidation Order 1 becomes final;
- (ii) pay HUF80,000 (equivalent to approximately HK\$1,700) of registered procedural fees to the State of Hungary according to the specific proposal of the National Tax and Customs Authority of Hungary; and
- (iii) place at least the amount of HUF150,000 (equivalent to approximately HK\$3,200) into the tied-up reserves of Oceanwide Investment Two covering the costs of the liquidation within the period from receiving the ruling ordering the liquidation in the first instance until the ruling becomes final and enforceable.

According to the Liquidation Order 1, the liquidator will be appointed after the order becomes final and enforceable.

Oceanwide Investment Two filed an appeal against the Liquidation Order 1 with the Budapest-Capital Regional Court of Appeal (the “**Appeal Court**”) on 18 January 2022. On 13 April 2022, the Appeal Court declared the Liquidation Order 1 to be null and void as it was of the view that the First Instance Court was not constituted properly and ordered the First Instance Court to pass a new order (the “**Appeal Order 1**”). Pursuant to the Appeal Order 1, the First Instance Court reopened the proceedings and passed a new order on 3 June 2022, declaring that Oceanwide Investment Two insolvent in accordance with Paragraph c of Subsection 2 of Section 27 of Act XLIX of 1991 on Bankruptcy Proceedings and Liquidation Proceedings (the “**Liquidation Order 3**”). It ordered Oceanwide Investment Two to:

- (i) pay HUF80,000 (equivalent to approximately HK\$1,700) as the Creditor’s personal exemption from duty to the State of Hungary within 15 days of the date of the Liquidation Order 3;
- (ii) pay HUF35,000 (equivalent to approximately HK\$700) of procedural fees within 15 days of the date of the Liquidation Order 3; and
- (iii) place at least the amount of HUF155,000 (equivalent to approximately HK\$3,300) into Oceanwide Investment Two’s tied-up reserves covering the costs of the liquidation, and for the expenses in connection with the organisation, management, storage and keeping of its accounts and property, and the most essential expenses connected with the safekeeping and preservation of its property within the period from receiving the ruling ordering the liquidation in the first instance but no later than the ruling becomes final and enforceable.

To the best of the knowledge, information and belief of the directors (the “**Directors**”) of the Company, the Liquidation Order 3 made against Oceanwide Investment Two has not become final and enforceable yet as at the date of this announcement and Oceanwide Investment Two has lodged an appeal against the Liquidation Order 3 to the Appeal Court on 28 June 2022.

### **LIQUIDATION ORDER AGAINST OCEANWIDE INVESTMENT THREE**

Application for insolvency proceeding (the “**Petition 2**”) was initiated by the Creditor on 17 September 2021 in the First Instance Court in Hungary against Oceanwide Investment Three (Hungary) Limited Liability Company (“**Oceanwide Investment Three**”), a company incorporated in Hungary and an indirect wholly-owned subsidiary of the Company.

Under the Petition 2, the Creditor stated in its petition that Oceanwide Investment Three has a payment obligation of HUF72,214,001 (equivalent to approximately HK\$1.5 million) in various tax debts. The Creditor proved the unsuccessful enforcement proceeding regarding a HUF65,757,000 (equivalent to approximately HK\$1.4 million) tax debt with rejected direct debit order, which could not be executed due to insufficient funds. Oceanwide Investment Three received notice of the First Instance Court and the Petition 2 on 30 September 2021. As the debt under the Petition 2 was not settled, the First Instance Court made an order on 23 December 2021 declaring Oceanwide Investment Three insolvent in accordance with Paragraph c of Subsection 2 of Section 27 of Act XLIX of 1991 on Bankruptcy Proceedings and Liquidation Proceedings of Hungary (the “**Liquidation Order 2**”).

Under the Liquidation Order 2, Oceanwide Investment Three was ordered to pay the same amount of procedural fees and registered procedural fees and place the same amount to its tied-up reserves as required for Oceanwide Investment Two under the Liquidation Order 1.

According to the Liquidation Order 2, the liquidator will be appointed after the order becomes final and enforceable.

Oceanwide Investment Three filed an appeal against the Liquidation Order 2 with the Appeal Court on 18 January 2022. On 21 April 2022, the Appeal Court declared the Liquidation Order 2 to be null and void as it was of the view that the First Instance Court was not constituted properly and ordered the First Instance Court to pass a new order (the “**Appeal Order 2**”). Pursuant to the Appeal Order 2, the First Instance Court reopened the proceedings and passed a new order on 15 June 2022, declaring that Oceanwide Investment Three insolvent in accordance with Paragraph c of Subsection 2 of Section 27 of Act XLIX of 1991 on Bankruptcy Proceedings and Liquidation Proceedings (the “**Liquidation Order 4**”). It ordered Oceanwide Investment Three to pay the same amount of the Creditor’s personal exemption duty and procedural fees and place the same amount to its tied-up reserves as required for Oceanwide Investment Two under the Liquidation Order 3.

To the best of the knowledge, information and belief of the Directors, the Liquidation Order 4 made against Oceanwide Investment Three has not become final and enforceable yet as at the date of this announcement and Oceanwide Investment Three intends to lodge an appeal against the Liquidation Order 4 to the Appeal Court.

### **INFORMATION ON OCEANWIDE INVESTMENT TWO AND OCEANWIDE INVESTMENT THREE**

The highest applicable percentage ratio in relation to the total assets, profits or revenue of Oceanwide Investment Two represents 5% or more as compared to that of the Group. The highest applicable percentage ratio in relation to the total assets, profits or revenue of Oceanwide Investment Three represents less than 5% as compared to that of the Group. As at the date of this announcement, (i) Oceanwide Plaza LLC (“**Oceanwide Plaza**”), a Delaware limited company and an indirect wholly-owned subsidiary of the Company, owes Oceanwide Investment Three the principal amount of US\$23,400,000 (equivalent to approximately HK\$183.6 million) and accrued interests; and (ii) Oceanwide Real Estate Group (USA) Corp. (“**Oceanwide Real Estate**”), a Delaware corporation and an indirect wholly-owned subsidiary of the Company, owes Oceanwide Investment Two the principal amount of US\$95,000,000 (equivalent to approximately HK\$745.5 million) and accrued interests. Oceanwide Real Estate is the holding company of Oceanwide Plaza, which holds the Los Angeles real estate development project of the Group (the “**Los Angeles Project**”). For details of the Los Angeles Project, please refer to the 2021 annual report of the Company.

The board of Directors (the “**Board**”) will closely monitor the development of the abovementioned matters and will further issue announcement(s) as and when appropriate.

**The shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**China Oceanwide Holdings Limited**  
**HAN Xiaosheng**  
*Chairman*

Hong Kong, 30 June 2022

As at the date of this announcement, the Board comprises:

**Executive Directors:**

Mr. HAN Xiaosheng (*Chairman*)  
Mr. LIU Hongwei (*Deputy Chairman*)  
Mr. LIU Bing  
Mr. LIU Guosheng

**Non-executive Director:**

Mr. ZHAO Yingwei

**Independent Non-executive Directors:**

Mr. LIU Jipeng  
Mr. YAN Fashan  
Mr. LO Wa Kei Roy

*Unless otherwise specified, conversion of HUF to HK\$ in this announcement is based on the exchange rate of HUF1.00=HK\$0.021 and conversion of US\$ to HK\$ in this announcement is based on the exchange rate of US\$1.00=HK\$7.847 for illustration purpose only. No representation is made that any amounts in HUF or HK\$ can be or could have been converted at the relevant dates at the above rate or any other rates at all.*