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中国优通控股
China UT Holding

GSC LIMITED

(Incorporated in the Republic of the Marshall Islands with limited liability)

CHINA U-TON FUTURE SPACE INDUSTRIAL GROUP HOLDINGS LTD.

中國優通未來空間產業集團控股有限公司

(In Liquidation)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6168)

JOINT ANNOUNCEMENT

- (1) RESTRUCTURING AGREEMENT IN RELATION TO THE PROPOSED
RESTRUCTURING INVOLVING
(I) CAPITAL REORGANIZATION;
(II) SUBSCRIPTION;
(III) GROUP REORGANIZATION;
(IV) PLACING;
(V) HONG KONG SCHEME;
(VI) PRC DEBT ARRANGEMENT;
(VII) SPECIAL DEAL; AND
(VIII) RESUMPTION;
(2) APPLICATION FOR WHITEWASH WAIVER; AND
(3) CONTINUED SUSPENSION OF TRADING OF SHARES**

Financial Advisor to the Investors



SPDB International Capital Limited

Financial Advisor to the Company



Octal Capital Limited

THE RESTRUCTURING AGREEMENT

References are made to the announcements of the Company dated 5 May 2021, 29 June 2021, 4 April 2022 and 5 October 2022 in relation to, among other matters, the Winding Up Order, the appointment of the Liquidators and the entering into of the Framework Agreement respectively.

On 29 September 2022, the Company and the Liquidators entered into the Restructuring Agreement with the Investors, pursuant to which the Company will implement the Restructuring which involves (i) the Capital Reorganization; (ii) the Subscription; (iii) the Group Reorganization; (iv) the Placing; (v) the Hong Kong Scheme; (vi) the PRC Debt Arrangement; and (vii) the Resumption.

THE CAPITAL REORGANIZATION

References are made to the announcements of the Company dated 16 May 2022 and 27 June 2022 and the circular of the Company dated 2 June 2022 and in relation to, among other things, the Capital Reorganization.

As part of the proposed Restructuring, the Company proposed to implement the Capital Reorganization, which comprises of: (a) the Capital Reduction involving the reduction of the par value of each issued Share from HK\$0.10 to HK\$0.001 by cancelling the paid up share capital to the extent of HK\$0.099 per issued Share so that following such reduction, each issued Share with a par value of HK\$0.10 in the share capital of the Company shall become one New Share with a par value of HK\$0.001; and (b) the Sub-division immediately following the Capital Reduction becoming effective, such that each authorized but unissued Share with a par value of HK\$0.10 will be sub-divided into 100 authorized but unissued New Shares with a par value of HK\$0.001 each. Upon the Capital Reorganization becoming effective, the authorized share capital of the Company would be HK\$400,000,000 divided into 400,000,000,000 New Shares of HK\$0.001 each.

The Capital Reorganization was duly approved by the Shareholders at the extraordinary general meeting of the Company held on Monday, 27 June 2022. For the purposes of effecting the Capital Reorganization, the following hearings are scheduled at the Cayman Court, namely (i) the hearing of the summons for directions on 18 October 2022; and (ii) the hearing of the petition tentatively on 22 November 2022.

THE SUBSCRIPTION

Subject to the terms and conditions of the Restructuring Agreement and the Subscription Agreement, the Investors shall subscribe for a total of 21,449,572,237 Subscription Shares, at the Subscription Amount of HK\$100,000,000 (i.e. at the Subscription Price of approximately HK\$0.004662 per Subscription Share). The Subscription Shares shall represent 75% of the Enlarged Issued Share Capital immediately after the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion.

The Subscription Shares will be allotted and issued under the Specific Mandates to be sought for approval from the Independent Shareholders at the EGM.

THE GROUP REORGANIZATION

Pursuant to the Restructuring Agreement, the Group Reorganization involves, inter alia, the transfer of the Excluded Subsidiaries to the Scheme Co. Upon the completion of the Group Reorganization, the Retained Group will continue operating through its subsidiaries the following businesses, (a) the provision of design, deployment and maintenance of optical fibers services and related communication networks services; and (b) environmentally intelligent technical products and services.

THE PLACING

Pursuant to the Restructuring Agreement, the Company and the Liquidators will enter into a Placing Agreement with the Placing Agent, pursuant to which the Placing Agent will undertake to use its best endeavours to place up to 1,429,971,482 Placing Shares to Independent Third Parties who are not a Shareholder or a member of the Investors Concert Group at the Placing Price of approximately HK\$0.004662 per Placing Share. The Placing Shares shall represent 5% of the Enlarged Issued Share Capital immediately after the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion. The gross proceeds of the Placing will be approximately HK\$6,666,527, which shall be used for the working capital of the Retained Group after deduction of costs and expenses.

THE HONG KONG SCHEME AND THE PRC DEBT ARRANGEMENT

Pursuant to the Restructuring Agreement, the Company proposes to restructure its debts through the Hong Kong Scheme and the PRC Debt Arrangement.

Subject to the approval of the Creditors, the Shareholders (if required) and the Hong Kong Court, on the Scheme Effective Date, all Claims of the Creditors against the Company and all liabilities of the Company shall be fully and finally discharged and compromised by virtue of the implementation of the Hong Kong Scheme, and such Claims and liabilities shall be accepted and assumed by the Scheme Co.

As part of the Hong Kong Scheme, the Company proposes to (i) transfer (a) the Excluded Subsidiaries; (b) the balance of the Subscription Amount after deducting the Restructuring Expenses, Working Capital and the PRC Debt Arrangement; (c) cash, bank deposits and accounts receivable held by or payable to the Company (but excluding any of its subsidiaries) on the Scheme Effective Date (other than receivables of the Retained Group); and (d) all claims or litigations and all potential claims or litigation rights of the Retained Group against third parties to the Scheme Co, and (ii) issue and allot 2,859,942,965 Creditors' Shares at the Issue Price of approximately HK\$0.004662 per Creditors' Share to the Scheme Co (representing 10% of the Enlarged Issued Share Capital immediately after the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion).

For the purposes of effecting the Hong Kong Scheme, the Liquidators will apply to the Hong Kong Court (i) for leave to convene the Scheme Meeting and (ii) for sanction of the Hong Kong Scheme. Further details of these applications and the hearing dates will be announced in due course.

The PRC Debt Arrangement shall be implemented upon Completion such that not more than RMB26,000,000 (equivalent to approximately HK\$28,600,000) from the proceeds of the Subscription will be used for repayment of the debts of the Group in the PRC that are guaranteed by the Company, after which, all guaranteed liabilities of the Company in the PRC will be fully and finally discharged.

THE RESUMPTION

To facilitate the Resumption, each of the parties to the Restructuring Agreement undertake and agree to use its best endeavors to procure the compliance with the fulfillment of the Resumption Guidance as soon as reasonably practicable.

IMPLICATIONS UNDER THE LISTING RULES AND THE TAKEOVERS CODE

Listing Rules implications

The Subscription Shares, the Placing Shares and the Creditors' Shares will be allotted and issued under the Specific Mandates to be obtained at the EGM, the allotment and issue of such Subscription Shares, Placing Shares and Creditors' Shares is subject to the Independent Shareholders' approval.

Pursuant to Rule 7.27B of the Listing Rules, a listed issuer may not undertake a rights issue, open offer or specific mandate placings that would result in a theoretical dilution effect of 25% or more, unless the Stock Exchange is satisfied that there are exceptional circumstances. In view of the insolvent financial position and the liquidation status of the Company as well as the prolonged suspension of the trading in the Shares on the Stock Exchange, the closing price of the Shares on the Last Trading Day does not reasonably reflect the existing condition of the Company and the financial position of the Company could be considered as an exceptional circumstance under Rule 7.27B of the Listing Rules. Accordingly, the Liquidators and the Directors consider it is fair and reasonable for (i) the Subscription Price, the Placing Price and the Issue price to be set at a relatively deep discount to the historical trading prices of the Shares; and (ii) the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares in aggregate would result in a relatively significant theoretical dilution effect of approximately 87.7%.

Takeovers Code implications

Whitewash Waiver

As at the date of this joint announcement, the Company has 2,859,942,965 issued Shares. The Company does not have any other issued securities other than such Shares.

As at the date of this joint announcement, the Investors Concert Group did not hold, own, control or have direction over any Shares, outstanding options, warrants or any securities that are convertible into Shares or any derivatives in respect of the securities in the Company, or hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

Assuming that (i) the Capital Reorganization has become effective; (ii) the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion has taken place; and (iii) there is no other change in the issued share capital of the Company from the date of this joint announcement and up to Completion (other than as a result of the Capital Reorganization and the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares), the Investors will be interested in 21,449,572,237 New Shares, representing 75% of the Enlarged Issued Share Capital.

As such, the Investors would be required to make a mandatory general offer for all the issued shares of the Company (not already owned or agreed to be acquired by the Investors Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

The Investors will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval by at least 75% of the votes cast by the Independent Shareholders at the EGM by way of poll in respect of the Whitewash Waiver and the approval by more than 50% of the votes cast by the Independent Shareholders at the EGM by way of poll in respect of the transactions contemplated under the Restructuring Agreement, in which the Investors Concert Group and those who are involved in or interested in the proposed Restructuring and the Whitewash Waiver (including Mr. Jiang, his associates and Donghai) will abstain from voting on the relevant resolution(s). The Restructuring will not proceed if the Whitewash Waiver is not obtained from the Executive or not approved by the Independent Shareholders. The Executive may or may not grant the Whitewash Waiver.

Special Deal

Based on the records available to the Company, as at the date of this joint announcement, Donghai holds 77,380,000 Shares, representing approximately 2.7% of the issued share capital of the Company. Based on the records available to the Company, Donghai is a Creditor, and subject to adjudication by the Scheme Administrators upon the Hong Kong Scheme taking effect, Donghai may also be a Scheme Creditor.

As the proposed settlement of the indebtedness to Donghai under the Hong Kong Scheme is not extended to all the other Shareholders, such settlement of indebtedness constitutes a special deal under Rule 25 of the Takeovers Code. As such, the Special Deal requires consent of the Executive. An application will be made to the Executive for the consent to proceed with the Special Deal under Rule 25 of the Takeovers Code. Such consent, if granted, will be subject to (a) the independent financial adviser to the Independent Board Committee and the Independent Shareholders publicly stating in its opinion that the respective terms of the Special Deal is fair and reasonable; and (b) approval of the Special Deal by the Independent Shareholders at the EGM, in which the Investors Concert Group, Mr. Jiang and his associates, Donghai and any Creditors who is Shareholder will be required to abstain from voting in respect of the resolution to approve the Special Deal.

Save as disclosed above, as at the date of this joint announcement, none of the Creditors is a Shareholder. The Restructuring will not proceed unless consent to the Special Deal by the Executive is obtained and the resolution relating to the Special Deal has been approved by the Independent Shareholders.

GENERAL

The EGM will be convened and held to consider and, if thought fit, approve, among others, the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal.

An Independent Board Committee, comprising all independent non-executive Directors in compliance with Rule 2.8 of the Takeovers Code, will be established to advise the Independent Shareholders on the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal as well as how to vote at the EGM, taking into account the recommendations of the independent financial advisor.

The Company will appoint (with the approval of the Independent Board Committee) an independent financial advisor to advise the Independent Board Committee and the Independent Shareholders in accordance with the requirements under the Takeovers Code and the Listing Rules. Further announcement(s) will be made by the Company upon the appointment of the independent financial advisor.

The Company will submit an application to the Listing Committee for the listing of, and permission to deal in (a) the New Shares arising from the Capital Reorganization, (b) the Subscription Shares, (c) the Placing Shares and (d) the Creditors' Shares.

Under Rule 8.2 of the Takeovers Code, the Company is required to dispatch to the Shareholders a circular containing, among others, details of: (a) the Restructuring Agreement and the transactions contemplated thereunder; (b) the Specific Mandates; (c) the Whitewash Waiver; (d) the Special Deal; (e) the recommendation of the Independent Board Committee in relation to the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal; (f) a letter of advice from the independent financial advisor to the Independent Board Committee and the Independent Shareholders in relation to the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal; and (g) a notice of the EGM within 21 days from the date of this joint announcement, that is, on or before 31 October 2022, or such later date as the Executive may approve. Further announcement(s) will be made as and when appropriate.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended with effect from 3:00 p.m. on Wednesday, 5 May 2021 and will remain suspended pending fulfillment of the Resumption Guidance and any supplement or modification thereto. Further announcements will be made to provide further updates to the Shareholders and potential investors of the Company as and when appropriate.

WARNINGS

The transactions contemplated under the Restructuring Agreement are subject to fulfillment of various conditions and therefore may or may not materialize. The release of this joint announcement does not necessarily indicate that the Restructuring will be completed or trading in the Shares will be resumed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

The Company has submitted its Resumption Proposal to the Stock Exchange and will keep the Shareholders and investors informed of the latest developments by making further announcements as and when appropriate.

In the event that the Company fails to satisfy all of the Resumption conditions imposed by the Stock Exchange by 4 November 2022, the Listing Division of the Stock Exchange may recommend the Listing Committee to proceed with the cancellation of the Company's listing status.

THE RESTRUCTURING AGREEMENT

References are made to the announcements of the Company dated 5 May 2021, 29 June 2021, 4 April 2022 and 5 October 2022 in relation to, among other matters, the Winding Up Order, the appointment of the Liquidators and the entering into of the Framework Agreement respectively.

On 29 September 2022, the Company and the Liquidators entered into the Restructuring Agreement with the Investors, pursuant to which the Company will implement the Restructuring which involves (i) the Capital Reorganization; (ii) the Subscription; (iii) the Group Reorganization; (iv) the Placing; (v) the Hong Kong Scheme; (vi) the PRC Debt Arrangement; and (vii) the Resumption.

Details of the Restructuring Agreement, together with the detailed arrangements of (1) the Capital Reorganization; (2) the Subscription; (3) the Group Reorganization; (4) the Placing; (5) the Hong Kong Scheme; (6) the PRC Debt Arrangement; and (7) the Resumption are summarized below.

Date

29 September 2022

Parties

- (i) Company
- (ii) The Investors
- (iii) The Liquidators

Conditions precedent for Completion

Completion of the Restructuring shall be conditional upon the following conditions precedent being fulfilled or waived on or before the Long Stop Date:

- (i) the passing of the necessary resolutions by the Independent Shareholders at the EGM in accordance with the Listing Rules and/or the Takeovers Code to approve the following:
 - (a) the Restructuring Agreement and the transactions contemplated thereunder;
 - (b) the Subscription Agreement and the transactions contemplated thereunder;
 - (c) the Placing Agreement and the transactions contemplated thereunder;
 - (d) the grant of the Specific Mandates in respect of the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares;
 - (e) the Whitewash Waiver and the Special Deal;

- (f) if required, the transactions to be implemented under the Hong Kong Scheme and the PRC Debt Arrangement;
 - (g) if required, the Group Reorganization; and
 - (h) such other necessary matters for the purpose of implementing the foregoing transactions as may be agreed by the parties to the Restructuring Agreement
- (ii) the Capital Reorganization having become effective;
 - (iii) the Placing Agreement not being subject to any conditions precedent (other than the conditions precedent under the Restructuring Agreement) and not having been terminated in accordance with its terms;
 - (iv) the Listing Committee having granted the approval (with or without conditions) for the listing of, and permission to deal in, (i) the New Shares arising from the Capital Reorganization, and (ii) the Subscription Shares, the Placing Shares and the Creditors' Shares, and such approval and permission not subsequently having been revoked or withdrawn prior to the commencement of dealings in such shares of the Company on the Stock Exchange;
 - (v) the Executive having granted the Whitewash Waiver and consented to the Special Deal and the satisfaction of the conditions attached thereto and such approval not having been subsequently revoked or withdrawn;
 - (vi) the Hong Kong Court sanctioning the Hong Kong Scheme and the Hong Kong Scheme having become effective and the satisfaction of all the conditions precedent attached thereto;
 - (vii) the grant of an order by the Hong Kong Court for a permanent stay of the Winding Up Proceedings, effective upon the Scheme Effective Date;
 - (viii) the grant of an order by the Hong Kong Court for the discharge of the appointment of the Liquidators, effective upon the Scheme Effective Date;
 - (ix) obtaining the requisite approval and consent for the transfer of the Excluded Subsidiaries to the Scheme Co (if required);
 - (x) a legally binding and enforceable written agreement in respect of the PRC Debt Arrangement having been properly executed between the Company and the relevant PRC creditor;
 - (xi) the satisfaction of all requirements for the Resumption under the Resumption Guidance; and the Stock Exchange having granted the approval of the Resumption and such approval not having been revoked or withdrawn;

- (xii) obtaining all other necessary waivers, consents and approvals (including those from regulatory authorities and other relevant government authorities) which are required for the implementation of the transactions contemplated under the Restructuring Agreement;
- (xiii) the Investors having obtained all necessary authorizations, consents and approvals for implementing the transactions contemplated under the Restructuring Agreement in accordance with the applicable laws and regulations (if required); and
- (xiv) the due execution of all the transaction documents in relation to the Restructuring, and such documents remaining valid and enforceable and not having been terminated.

As at the date of this joint announcement, save for the consents, approvals and/or waivers required to be obtained by the Company as required in conditions (i), (iv) to (ix), (xi) to (xii) above, there is no other governmental, regulatory and corporate authorizations and approvals required to be obtained in respect of condition (xiii) above. Other than condition (xiii) which can be waived in whole or in part by the Investors by notice in writing to the Company and the Liquidators prior to the Long Stop Date, all other conditions precedent above cannot be waived by any of the parties. In the event that the above conditions precedent have not been satisfied or waived on or before 5:00 p.m. on the Long Stop Date, the Restructuring Agreement shall be automatically terminated in accordance with the terms of the Restructuring Agreement.

As at the date of this joint announcement, none of the conditions above is fulfilled.

Termination of the Restructuring Agreement

Any party to the Restructuring Agreement may give written notice to the other parties to terminate the Restructuring Agreement upon occurrence of the following events:

- (i) after receiving the non-defaulting party's written notice that there is a material breach of the Restructuring Agreement, the defaulting party fails to resolve such event of material breach within 10 Business Days;
- (ii) the Stock Exchange having determined that the Company is not suitable for continued listing;
- (iii) the Hong Kong Court rejecting the application for leave to convene a creditors' meeting in respect of the Hong Kong Scheme (after the relevant application being made);
- (iv) the creditors under the Hong Kong Scheme and/or the Shareholders (if required) failed to pass the resolutions to approve the Hong Kong Scheme at the creditors' meeting and the EGM (if required) respectively;
- (v) the Hong Kong Court rejecting the application for sanctioning the Hong Kong Scheme (after the relevant application being made);

- (vi) the failure to pass all resolutions by the requisite majority of the Independent Shareholders at the EGM in accordance with the Listing Rules and/or the Takeovers Code; or
- (vii) the relevant PRC regulatory authorities rejecting the application for authorization, consent or approval (if required) for the transactions under the Restructuring Agreement,

provided that such determination, rejection or decision shall be final and conclusive and provided that before exercising the right of termination, the parties shall engage in a good faith discussion to consider alternatives to meet the preconditions and, where reasonable, to take action to implement the Restructuring and the Resumption.

1. THE CAPITAL REORGANIZATION

References are made to the announcements of the Company dated 16 May 2022 and 27 June 2022 and the circular of the Company dated 2 June 2022 and in relation to, among other things, the Capital Reorganization.

As part of the Restructuring, the Company proposed to implement the Capital Reorganization, which comprises the Capital Reduction and the Sub-division in the following manner:

- (i) the par value of each of the issued Shares be reduced from HK\$0.10 to HK\$0.001 per issued Share by cancelling the paid up share capital to the extent of HK\$0.099 per issued Share;
- (ii) the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, and the balance of any such credit remaining after offsetting such accumulated losses (if any) shall be transferred to the Company's distributable reserves and used for such purposes as the Board may deem fit in accordance with all applicable laws and the Memorandum and Articles of Association;
- (iii) immediately following the Capital Reduction becoming effective, each of the authorized but unissued Shares with par value of HK\$0.10 each be sub-divided into 100 authorized but unissued New Shares with par value of HK\$0.001 each; and
- (iv) each of the New Shares arising from the Capital Reduction and the Sub-division shall rank *pari passu* in all respects with each other and will have the rights and privileges and be subject to the restrictions contained in the Memorandum and Articles of Association.

Upon the Capital Reorganization becoming effective but before the Completion, the authorized share capital of the Company would be HK\$400,000,000 divided into 400,000,000,000 New Shares of HK\$0.001 each.

Conditions of the Capital Reorganization

The Capital Reorganization is conditional upon the following conditions being fulfilled:

- (i) the passing of a special resolution by the Shareholders approving the Capital Reduction and the Sub-division at an extraordinary general meeting of the Company;
- (ii) an order being made by the Cayman Court confirming the Capital Reduction;
- (iii) compliance with any conditions which the Cayman Court may impose in relation to the Capital Reduction;
- (iv) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Cayman Court confirming the Capital Reduction and the minute approved by the Cayman Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
- (v) the Listing Committee granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganization.

The Capital Reorganization will become effective when the conditions above have been fulfilled. None of the conditions above can be waived by the Company. As at the date of this joint announcement, condition (i) has been fulfilled.

For the purposes of effecting the Capital Reorganization, the following hearings are scheduled at the Cayman Court, namely (i) the hearing of the summons for directions on 18 October 2022; and (ii) the hearing of the petition tentatively on 22 November 2022.

2. THE SUBSCRIPTION

Subject to the terms and conditions of the Restructuring Agreement and the Subscription Agreement contemplated thereunder, the Investors shall subscribe for a total of 21,449,572,237 Subscription Shares, at the Subscription Amount of HK\$100,000,000 (i.e. at the Subscription Price of approximately HK\$0.004662 per Subscription Share). The Subscription Shares shall represent 75% of the Enlarged Issued Share Capital immediately after the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion.

The Subscription Amount shall be settled in the following manner:

- (i) firstly, by way of set-off against the Restructuring Expenses advanced by the Investors as at the Completion Date on a dollar-for-dollar basis; and
- (ii) secondly, the balance of the Subscription Amount after such set-off shall be paid by the Investors to the Company in cash on the Completion Date.

As at the date of this joint announcement, the Company has incurred Restructuring Expenses of approximately HK\$7.6 million. It is estimated that the Restructuring Expenses up to Completion would be approximately HK\$22 million in total. The Subscription Shares will be allotted and issued under the Specific Mandates to be sought for approval from the Independent Shareholders at the EGM.

Ranking of the Subscription Shares

The Subscription Shares shall, when fully paid, rank *pari passu* in all respects with the New Shares in issue on the date of allotment of the Subscription Shares.

Subscription Price

The Subscription Price is the equal to the Placing Price and the Issue Price, which represents:

- (i) a discount of approximately 97.10% to the theoretical closing price of HK\$0.161 per New Share as adjusted for the effect of the Capital Reorganization based on the closing price of HK\$0.161 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 97.39% to the average theoretical closing price of HK\$0.1786 per New Share as adjusted for the effect of the Capital Reorganization based on the average closing price of HK\$0.1786 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 97.41% to the average theoretical closing price of HK\$0.1801 per New Share as adjusted for the effect of the Capital Reorganization based on the average closing price of HK\$0.1801 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 92.10% to the Group's audited consolidated net asset value per New Share of approximately HK\$0.0590 as at 31 December 2019, based on the audited consolidated net asset value attributable to Shareholders of approximately RMB153.4 million (equivalent to approximately HK\$168.8 million) as at 31 December 2019 and 2,859,942,965 New Shares in issue upon the Capital Reorganization becoming effective but before the Completion; and
- (v) a discount of approximately 85.20% to the Group's unaudited consolidated net asset value per New Share of approximately HK\$0.0315 as at 30 June 2020 based on the unaudited consolidated net asset value attributable to Shareholders of approximately RMB81.9 million (equivalent to approximately HK\$90.1 million) as at 30 June 2020 and 2,859,942,965 New Shares in issue upon the Capital Reorganization becoming effective but before the Completion.

The Subscription Amount was determined after arm's length negotiation between the Company, the Liquidators and the Investors with reference to (i) the financial position of the Company and the fact that the Company is insolvent and in liquidation; (ii) the financial position and prospects of the business operation of the Retained Group; (iii) the prevailing market conditions; and (iv) the fact that trading in the Shares on the Stock Exchange has been suspended since 5 May 2021 and the proposed Restructuring is the only viable resumption proposal to rescue the Company to avert a delisting of the Shares on the Stock Exchange. Taking into account the aforesaid factors, the Directors (excluding the independent non-executive Directors whose view will be expressed after considering the advice of the independent financial advisor) and the Liquidators considered that the Subscription Amount is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

The proceeds of the Subscription shall be used for (i) settling the Restructuring Expenses; (ii) the Working Capital; (iii) the implementation of the PRC Debt Arrangement; and (iv) the balance of the Subscription Amount after deducting (i) to (iii) above shall be used to settle the Admitted Scheme Claims under the Hong Kong Scheme.

Conditions precedent of the Subscription

Completion of the Subscription shall be conditional upon the satisfaction or waiver of the following conditions on or before the Long Stop Date:

- (i) the Capital Reorganization having become effective;
- (ii) the passing of the necessary resolutions by the Independent Shareholders at the EGM in accordance with the Listing Rules and/or the Takeovers Code to approve (i) the Restructuring Agreement, the Subscription Agreement and the Placing Agreement and the respective transactions contemplated thereunder; (ii) the grant of the Specific Mandates in respect of the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares; and (iii) the Whitewash Waiver;
- (iii) obtaining the requisite approval and consent for the transfer of the Excluded Subsidiaries to the Scheme Co (if required);
- (iv) the Hong Kong Court sanctioning the Hong Kong Scheme and the Hong Kong Scheme having become effective and the satisfaction of all the conditions precedent attached thereto (save for the completion of the Subscription);
- (v) the Executive having granted the Whitewash Waiver and the satisfaction of the conditions attached thereto and such approval not having been subsequently revoked or withdrawn;

- (vi) the Listing Committee having granted the approval (with or without conditions) for the listing of, and permission to deal in, (i) the New Shares arising from the Capital Reorganization, and (ii) the Subscription Shares, the Placing Shares and the Creditors' Shares, and such approval and permission not subsequently having been revoked or withdrawn prior to the commencement of dealings in such shares of the Company on the Stock Exchange;
- (vii) the satisfaction of all requirements for the Resumption under the Resumption Guidance, and the Stock Exchange having granted the approval of the Resumption and such approval not having been revoked or withdrawn;
- (viii) obtaining all other necessary waivers, consents and approvals (including those from regulatory authorities and other relevant government authorities) which are required for the implementation of the transactions contemplated under the Subscription Agreement; and
- (ix) the Investors having obtained all necessary authorizations, consents and approvals for implementing the transactions contemplated under the Restructuring Agreement in accordance with the applicable laws and regulations (if required).

The Company and the Investors are expected to enter into the Subscription Agreement on or before publication of the circular in connection with the Restructuring Agreement pursuant to Rule 8.2 of the Takeovers Code. As at the date of this joint announcement, save for the waivers, consents and/or approvals required to be obtained by the Company as required in conditions (i) to (vii) and (ix) above, there is no other waivers, consents and approvals required to be obtained in respect of condition (viii) above. Other than condition (ix) which can be waived in whole or in part by the Investors by notice in writing to the Company and the Liquidators prior to the Long Stop Date, all other conditions precedent above cannot be waived by any of the parties. As at the date of this joint announcement, none of the conditions above is fulfilled.

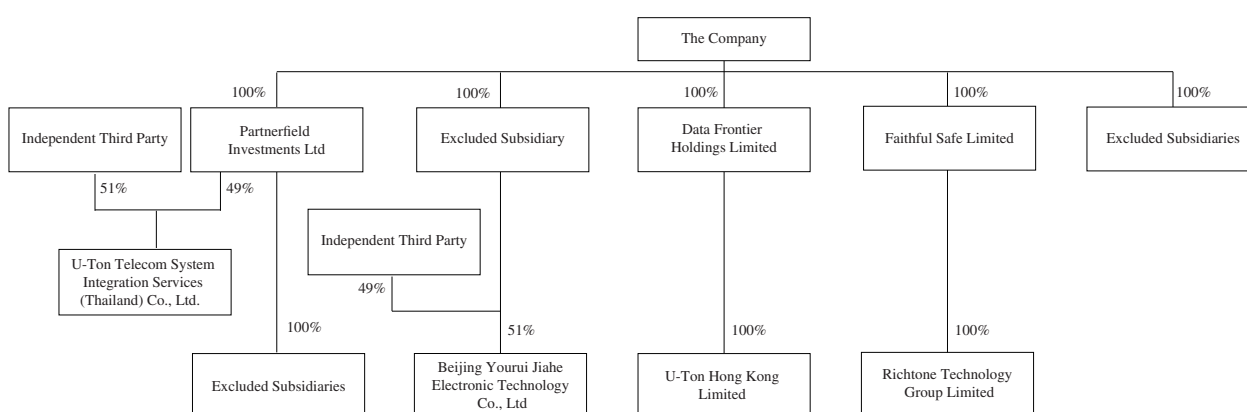
The Subscription is inter-conditional with the Group Reorganization, the Placing and the taking effect of the Hong Kong Scheme; and the Subscription Shares, the Placing Shares and the Creditors' Shares will be allotted and issued simultaneously at Completion.

Further announcement(s) will be made by the Company in relation to the Subscription as and when appropriate.

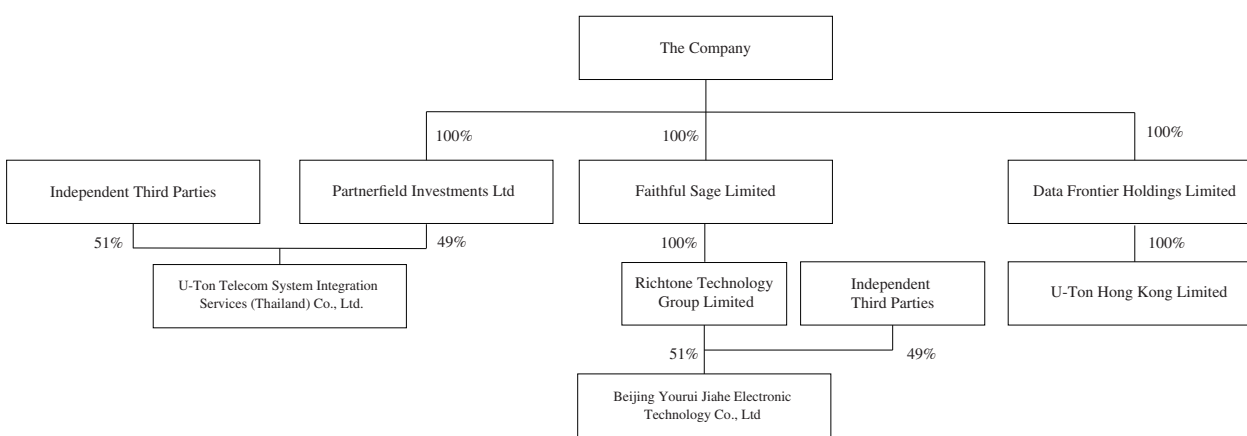
3. THE GROUP REORGANIZATION

Pursuant to the Restructuring Agreement, the Group Reorganization shall involve the transfer of the Excluded Subsidiaries to Scheme Co at nominal consideration upon Completion. Upon the completion of the Group Reorganization, the Retained Group will continue operating through its subsidiaries the following businesses, (a) fiber optic deployment and maintenance services, and (b) environmental intelligence technology products and services.

Set out below is the structure of the Group before the Group Reorganization:



Set out below is the structure of the Retained Group immediately after the completion of the Group Reorganization:



4. THE PLACING

Pursuant to the Restructuring Agreement, the Company and the Liquidators will enter into a Placing Agreement with the Placing Agent, pursuant to which the Placing Agent will undertake to use its best endeavours to place up to 1,429,971,482 Placing Shares to Independent Third Parties who are not a Shareholder or a member of the Investors Concert Group at the Placing Price of approximately HK\$0.004662 per Placing Share. The Placing Shares shall represent 5% of the Enlarged Issued Share Capital immediately after the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion. The gross proceeds of the Placing will be approximately HK\$6,666,527, and shall be used for the working capital of the Retained Group after deduction of costs and expenses.

Placing Price

The Placing Price of approximately HK\$0.004662 per Placing Share is the same as the Subscription Price and the Issue Price, which is determined having considered factors including the suspension of trading of the Shares, the prevailing market conditions, the financial position and prospects of the business operation of the Retained Group. Please refer to the paragraph headed “2. The Subscription – Subscription Price” in this joint announcement for details of the Subscription Price.

Conditions precedent to the Placing

The completion of the Placing is conditional upon the following conditions being fulfilled:

- (i) the passing of the necessary resolutions by the Independent Shareholders at the EGM in accordance with the Listing Rules and/or the Takeovers Code to approve (i) the Restructuring Agreement, the Subscription Agreement and the Placing Agreement and the respective transactions contemplated thereunder; and (ii) the grant of the Specific Mandates in respect of the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors’ Shares;
- (ii) the Listing Committee having granted the approval (with or without conditions) for the listing of, and permission to deal in, (i) the New Shares arising from the Capital Reorganization, and (ii) the Subscription Shares, the Placing Shares and the Creditors’ Shares, and such approval and permission not subsequently having been revoked or withdrawn prior to the commencement of dealings in such shares of the Company on the Stock Exchange;
- (iii) all requirements and conditions imposed by the Stock Exchange or the SFC or under the Listing Rules otherwise in connection with the Placing Agreement and the transactions contemplated thereunder having been fulfilled or complied with;
- (iv) the Placing Agreement not having been terminated in accordance with its terms; and
- (v) other conditions precedent under the Placing Agreement (if any).

All the conditions precedents to the Creditors’ Schemes are incapable of being waived. As at the date of this joint announcement, none of the conditions have been fulfilled.

The Placing is inter-conditional with the Group Reorganization, the Subscription and the taking effect of the Hong Kong Scheme; and the Subscription Shares, the Placing Shares and the Creditors’ Shares will be allotted and issued simultaneously at Completion.

Ranking of the Placing Shares

The Placing Shares shall, when fully paid, will rank *pari passu* in all respects with the New Shares in issue as at the date of allotment of the Placing Shares.

5. THE HONG KONG SCHEME

As at the date of this announcement, based on the available books and records of the Company, the claims declared by the Creditors amount to approximately HK\$524.7 million.

Pursuant to Restructuring Agreement, the principal terms of the Hong Kong Scheme include the following:

- (i) on the Scheme Effective Date, all Claims of the Creditors against the Company and all liabilities of the Company shall be fully and finally discharged and compromised by virtue of the implementation of the Hong Kong Scheme, and such Claims and liabilities shall be accepted and assumed by the Scheme Co;
- (ii) the Scheme Administrators shall incorporate the Scheme Co to hold and realize the Scheme Assets from the Scheme Effective Date in order to distribute cash dividends to the Scheme Creditors in full and final settlement of the Admitted Scheme Claims and to settle the costs and expenses arising from the implementation of the Hong Kong Scheme, in accordance with the terms of the Hong Kong Scheme;
- (iii) upon Completion, the Company shall issue the Creditors' Shares at the Issue Price of approximately HK\$0.004662 per Creditors' Share to the Scheme Co, representing 10% of the Enlarged Issued Share Capital immediately after the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion;
- (iv) upon Completion, the Company or its subsidiaries shall transfer all Excluded Subsidiaries to the Scheme Co at nominal consideration;
- (v) the Scheme Assets for distribution under the Hong Kong Scheme shall include the following, and such assets shall be held by the Scheme Co and realized by the Scheme Administrators in accordance with the terms of the Hong Kong Scheme:
 - (a) the balance of the Subscription Amount, after deducting (A) the Restructuring Expenses; (B) the Working Capital; and (C) the PRC Debt Arrangement;
 - (b) the Creditors' Shares;
 - (c) the equity interests and other assets of all the Excluded Subsidiaries;
 - (d) subject to the applicable laws and approval of the relevant parties, the inter-company account receivables due from the Excluded Subsidiaries to the Retained Group as at the Scheme Effective Date, such receivables shall be transferred to the Scheme Co;

- (e) cash, bank deposits and accounts receivable held by or payable to the Company (but excluding any of its subsidiaries) on the Scheme Effective Date (other than receivables of the Retained Group); and
- (f) all claims or litigations and all potential claims or litigation rights of the Retained Group against third parties to the Scheme Co (to the extent transferrable under the applicable laws and as approved by the relevant parties),

Conditions precedent of the Hong Kong Scheme

The Hong Kong Scheme will be implemented in Hong Kong and shall become binding and effective on the Company and the Creditors if the following conditions precedent are satisfied:

- (a) the Creditors having approved the Hong Kong Scheme at the Scheme Meeting;
- (b) the Hong Kong Court sanctioning the Hong Kong Scheme, and registration of a sealed copy of the order of the Hong Kong Court sanctioning the Hong Kong Scheme with the Registrar of Companies in Hong Kong; and
- (c) the conditions precedent (other than the conditions precedent (xiii) in the paragraph headed “The Restructuring Agreement – Conditions precedent for Completion” in this joint announcement) having been satisfied or waived.

All the conditions precedents to the Creditors’ Schemes are incapable of being waived. As at the date of this joint announcement, none of conditions above have been fulfilled.

The taking effect of the Hong Kong Scheme is inter-conditional with the Subscription, the Group Reorganization and the Placing, and the Subscription Shares, the Placing Shares and the Creditors’ Shares will be allotted and issued simultaneously at Completion.

The Creditors’ Shares shall, when fully paid, rank *pari passu* in all respects with the New Shares in issue as at the date of allotment of the Creditors’ Shares.

For the purposes of effecting the Hong Kong Scheme, the Liquidators will apply to the Hong Kong Court (i) for leave to convene the Scheme Meeting and (ii) for sanction of the Hong Kong Scheme. Further details of these applications and the hearing dates will be announced in due course.

The Company will provide an update on the Hong Kong Scheme as and when appropriate.

6. THE PRC DEBT ARRANGEMENT

The Company has provided a joint and several guarantee to Harbin Bank, Tianjin Branch to secure the obligations of one of the Excluded Subsidiaries under a loan agreement, and the relevant Excluded Subsidiary was in default under such loan agreement.

The PRC Debt Arrangement shall be implemented upon Completion such that not more than RMB26,000,000 (equivalent to HK\$28,600,000) from the Subscription Proceeds will be used for repayment of the debts of the Group in the PRC that are guaranteed by the Company, after which all guaranteed liabilities of the Company in the PRC will be fully and finally discharged.

The Company shall enter into a legally binding and enforceable written agreement in respect of the PRC Debt Arrangement with Harbin Bank, Tianjin Branch before Completion.

7. THE RESUMPTION

Reference is made to the announcements of the Company dated 8 July 2021 and 27 September 2022.

The Stock Exchange has imposed on the Company the following Resumption Guidance:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (b) demonstrate its compliance with Rules 13.24, 3.10, 3.10A, 3.21 and 3.28 of the Listing Rules;
- (c) having the Winding Up Order against the Company withdrawn or dismissed and Liquidators (provisional or not) discharged;
- (d) announce all material information for the Shareholders and other investors to appraise the Company's position;
- (e) conduct an independent forensic investigation into the suspected unauthorised subscription, announce the findings and take appropriate remedial action; and
- (f) conduct an independent internal control review and demonstrate that the Company has in place adequate internal control and procedures to comply with the Listing Rules

The Stock Exchange further indicated that it may modify or supplement the Resumption Guidance if the Company's situation changes.

If the Company fails to fulfill the above Resumption Guidance by 4 November 2022, the Listing Division of the Stock Exchange may recommend the Listing Committee to proceed with the cancellation of the Company's listing status. The Company is taking various steps to fulfill the Resumption Guidance which includes:

- (i) the appointment of independent non-executive Directors to the Board and as members of Audit Committee with effect from 25 May 2022 (please refer to the announcement of the Company dated 24 May 2022); and

- (ii) establishment of a special investigation committee and appointment of an independent investigator in relation to the suspected unauthorised subscription (please refer to the announcement of the Company dated 16 September 2022).

As of the date of this joint announcement, the Company has complied with Rules 3.10, 3.10A and 3.21 of the Listing Rules. Save for the foregoing, the Resumption Guidance has yet to be fulfilled.

To facilitate the Resumption, each of the Company, the Investors and the Liquidators undertakes and agrees to use its best endeavors to procure the fulfillment of the Resumption Guidance imposed by the Stock Exchange as soon as practicable, including but not limited to:

- (a) informing the Investors of the status of the Resumption to the extent permitted by law, and providing documents and information reasonably requested by the Investors relating to the Resumption; and
- (b) cooperating fully and reasonably to do such further acts and things and executing any further document that may be necessary or desirable to give full effect to the Restructuring.

REASONS AND BENEFITS FOR THE ENTERING OF THE RESTRUCTURING AGREEMENT, THE SUBSCRIPTION AGREEMENT, THE PLACING AGREEMENT AND THE USE OF PROCEEDS FROM THE SUBSCRIPTION AND THE PLACING

The Company is an investment holding company principally engaged in (a) the provision of design, deployment and maintenance of optical fibers services and related communication networks services; and (b) environmentally intelligent technical products and services.

References are made to the announcements dated 5 May 2021, 13 May 2021 and 25 June 2021 of the Company in relation to the Winding Up Order and several winding up petitions against the Company. The Restructuring forms a vital part of the Resumption plan of the Company as it provides the Group with the necessary financing to restructure the debts of the Company by the implementation of the Hong Kong Scheme and the PRC Debt Arrangement.

In view of the above and considering the financial situation of the Group and the willingness of the Investors to finance the Group in order to relieve the indebtedness of the Company and to support the business operations and expansion of the Group, the Liquidators and the Directors consider that the entering into the Restructuring Agreement will facilitate the debt restructuring of the Group and to satisfy the Resumption Guidance set out by the Stock Exchange. In addition, the Group has been endeavoring on the process of formulating and implementation of the Restructuring plan, and in order to comply with the Resumption Guidance, one of which is to demonstrate its compliance with Rule 13.24 of the Listing Rules to warrant the continued listing of the Shares. With the introduction of the Investors as Shareholders, it is expected that the experience and network of Dr. Chuang (being the sole beneficial owner and sole director of GSC) as well as his resources, could help the Retained Group to expand and develop its business.

In respect of the Placing, the Board considers that it would be in the interest of the Company to conduct equity fund raising via the Placing to gain additional working capital for the Retained Group, which will facilitate the Group in further developing its business. In addition, the Placing would enlarge the shareholder base of the Company.

Having considered the factors above, the Liquidators and the Directors (excluding the independent non-executive Directors whose view will be expressed after considering the advice of the independent financial advisor) consider that the terms of the Restructuring Agreement are on normal commercial terms that are fair and reasonable and the entering into of the Restructuring Agreement will be in the interests of the Company and the Shareholders as a whole.

The aggregate gross proceeds from the Subscription and the Placing of approximately HK\$106.7 million will be applied as follows:

- (i) approximately RMB26 million (equivalent to approximately HK\$28.6 million) will be used for implementing the PRC Debt Arrangement;
- (ii) approximately HK\$35.7 million will be used for implementing the Hong Kong Scheme for settling the Admitted Scheme Claims;
- (iii) approximately HK\$20.4 million will be used as working capital; and
- (iv) approximately HK\$22 million will be used to pay the Restructuring Expenses in accordance with the Restructuring Agreement.

EFFECT OF THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purposes only, set out below is the shareholding structure of the Company (i) as at the date of this joint announcement; (ii) immediately after the Capital Reorganization becoming effective; and (iii) immediately after the Capital Reorganization becoming effective and completion of the Subscription, the Placing and the Hong Kong Scheme:

Shareholder	As at the date of this joint announcement		Immediately after the Capital Reorganization having become effective		Immediately after the Capital Reorganization having become effective and completion of the Subscription, the Placing, and the Hong Kong Scheme	
	<i>Number of</i>		<i>Number of</i>		<i>Number of</i>	
	<i>Shares</i>	<i>Approx. %</i>	<i>Shares</i>	<i>Approx. %</i>	<i>Shares</i>	<i>Approx. %</i>
The Investors Concert Group						
GSC	-	-	-	-	15,729,686,307	55.00
Dr. Chuang	-	-	-	-	5,719,885,930	20.00
Sub-total	-	-	-	-	21,449,572,237	75.00
Scheme Co	-	-	-	-	2,859,942,965	10.00
Placees	-	-	-	-	1,429,971,482	5.00
Mr. Jiang and his associates (<i>Note 1</i>)	558,630,000	19.53	558,630,000	19.53	558,630,000	1.95
Xinjiang Borun Investment Holdings Limited	417,269,077	14.59	417,269,077	14.59	417,269,077	1.46
Mr. Chen Xiaotong and his associates	213,797,100	7.48	213,797,100	7.48	213,797,100	0.75
HNA Tourism Group	200,540,000	7.01	200,540,000	7.01	200,540,000	0.70
Mr. Liu Xuezhong	162,783,000	5.69	162,783,000	5.69	162,783,000	0.57
Ms. Cheng Weihong	169,545,000	5.93	169,545,000	5.93	169,545,000	0.59
Donghai	77,380,000	2.71	77,380,000	2.71	77,380,000	0.27
Other Public Shareholders	1,059,998,788	37.06	1,059,998,788	37.06	1,059,998,788	3.71
Total:	2,859,942,965	100.00	2,859,942,965	100.00	28,599,429,649	100.00

Note 1: Mr. Jiang is the chairman and an executive Director of the Company.

Save as disclosed above, none of the Directors, or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as defined in Part XV of the SFO as recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules as at date of this joint announcement.

Apart from Mr. Jiang and the Investors Concert Group, none of the above persons was involved in the discussion and negotiation of the Restructuring Agreement and the transactions contemplated thereunder, and none of the above persons was interested in the transactions contemplated under the Restructuring Agreement other than as an Independent Shareholder.

APPLICATION FOR LISTING

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the New Shares arising from the Capital Reorganization, the Subscription Shares, the Placing Shares and the Creditors' Shares on the Stock Exchange.

Subject to the granting of listing of, and permission to deal in, the New Shares, the Subscription Shares, the Placing Shares and the Creditors' Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, upon the Capital Reorganization, the Subscription, the Placing and the Hong Kong Scheme becoming effective, the New Shares, the Subscription Shares, the Placing Shares and the Creditors' Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares, the Subscription Shares, the Placing Shares and the Creditors' Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

SPECIFIC MANDATES

The Subscription Shares, the Placing Shares and the Creditors' Shares will be allotted and issued under the Specific Mandates to be sought at the EGM.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

Save for the entering into of the Framework Agreement, the Company had not conducted any equity fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this joint announcement.

IMPLICATIONS UNDER THE LISTING RULES AND THE TAKEOVERS CODE

Listing Rules implications

The Subscription Shares, the Placing Shares and the Creditors' Shares will be allotted and issued under the Specific Mandates to be obtained at the EGM, the allotment and issue of such Subscription Shares, Placing Shares and Creditors' Shares is subject to the Independent Shareholders' approval.

Pursuant to Rule 7.27B of the Listing Rules, a listed issuer may not undertake a rights issue, open offer or specific mandate placings that would result in a theoretical dilution effect of 25% or more, unless the Stock Exchange is satisfied that there are exceptional circumstances. In view of the insolvent financial position and the liquidation status of the Company as well as the prolonged suspension of the trading in the Shares on the Stock Exchange, the closing price of the Shares on the Last Trading Day does not reasonably reflect the existing condition of the Company and the financial position of the Company could be considered as an exceptional circumstance under Rule 7.27B of the Listing Rules. Accordingly, the Liquidators and the Directors consider it is fair and reasonable for (i) the Subscription Price, the Placing Price and the Issue price to be set at a relatively deep discount to the historical trading prices of the Shares; and (ii) the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares in aggregate would result in a relatively significant theoretical dilution effect of approximately 87.7%.

Takeovers Code implications

Whitewash Waiver

As at the date of this joint announcement, the Investors Concert Group did not hold, own, control or have direction over any Shares, outstanding options, warrants or any securities that are convertible into Shares or any derivatives in respect of the securities in the Company, or hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

As at the date of this joint announcement, the Company has 2,859,942,965 issued Shares. The Company does not have any other issued securities other than such Shares. Assuming that (i) the Capital Reorganization has become effective; (ii) the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares at Completion has taken place; and (iii) there is no other change in the issued share capital of the Company from the date of this joint announcement and up to Completion (other than as a result of the Capital Reorganization and the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors' Shares), the Investors will be interested in 21,449,572,237 New Shares, representing 75% of the Enlarged Issued Share Capital.

As such, the Investors would be required to make a mandatory general offer for all the issued shares of the Company (not already owned or agreed to be acquired by the Investors Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

The Investors will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval by at least 75% of the votes cast by the Independent Shareholders at the EGM by way of poll in respect of the Whitewash Waiver and the approval by more than 50% of the Independent Shareholders at the EGM in respect of the transactions contemplated under the Restructuring Agreement, in which the Investors Concert Group and those who are involved in or interested in the proposed Restructuring and the Whitewash Waiver (including Mr. Jiang, his associates and Donghai) will abstain from voting on the relevant resolution(s). The Executive may or may not grant the Whitewash Waiver. The Restructuring will not proceed if the Whitewash Waiver is not obtained from the Executive or not approved by the Independent Shareholders.

Special Deal

Based on the records available to the Company, as at the date of this joint announcement, Donghai holds 77,380,000 Shares, representing approximately 2.7% of the issued share capital of the Company. Based on the records available to the Company, Donghai is a Creditor, and subject to adjudication by the Scheme Administrators upon the Hong Kong Scheme taking effect, Donghai may also be a Scheme Creditor.

As the proposed settlement of the indebtedness to Donghai under the Hong Kong Scheme is not extended to all the other Shareholders, such settlement of indebtedness constitutes a special deal under Rule 25 of the Takeovers Code. As such, the Special Deal requires consent of the Executive. An application will be made to the Executive for the consent to proceed with the Special Deal under Rule 25 of the Takeovers Code. Such consent, if granted, will be subject to (a) the independent financial adviser to the Independent Board Committee and the Independent Shareholders publicly stating in its opinion that the respective terms of the Special Deal is fair and reasonable; and (b) approval of the Special Deal by the Independent Shareholders at the EGM, in which the Investors Concert Group, Mr. Jiang and his associates, Donghai and any Creditors who is Shareholder will be required to abstain from voting in respect of the resolution to approve the Special Deal.

Save as disclosed above, as at the date of this joint announcement, none of the Creditors is a Shareholder.

The Restructuring will not proceed unless consent to the Special Deal by the Executive is obtained and the resolution relating to the Special Deal has been approved by the Independent Shareholders.

INFORMATION OF THE GROUP

The Company is an investment holding company principally engaged in (a) the provision of design, deployment and maintenance of optical fibers services and related communication networks services; and (b) environmentally intelligent technical products and services.

INFORMATION OF THE INVESTORS

GSC

GSC is a company incorporated in the Republic of the Marshall Islands with limited liability and is an investment holding company, which, after its current reorganisation that is expected to be completed on or before 31 October 2022, will have no interest in any investment other than the Subscription Shares to be subscribed by GSC upon Completion. As at the date of this joint announcement, GSC is wholly-owned by TGM, which in turn is wholly-owned by Dr. Chuang. Dr. Chuang is the sole director and sole beneficial owner of each of GSC and TGM.

Dr. Chuang Tze Cheung Christopher (莊紫祥)

Dr. Chuang, aged 54, has over 18 years of experience in the payment and fintech industry in the PRC, Hong Kong and Southeast Asia. He is currently a director of IATS Holding Limited which, together with its subsidiaries, provides payment and fintech services in the PRC and Hong Kong. Prior to entering the payment and fintech industry, Dr. Chuang accumulated experiences in accounting, auditing and financial management from various companies such as PricewaterhouseCoopers, KPMG and Trasy Gold Ex Limited (now known as Global Mastermind Holdings Limited), a company listed on GEM of The Stock Exchange (Stock code: 8063), where Dr. Chuang was appointed as the chief executive officer during the period from January 2004 to July 2005 and qualified accountant during the period from March 2004 to July 2005.

Dr. Chuang has also assumed multiple social positions, such as being the executive vice president and the permanent honorary president of General Association for the Peaceful Development of the Two Sides of Straits (兩岸和平發展聯合總會常務副理事長／兩岸和平發展聯合總會永遠名譽主席) since May 2016 and September 2017 respectively, the director of China Strategy Culture Promotion Association (中國戰略文化促進會理事) since September 2016, the permanent honorary president of HKCPPCC (Provincial) Members Association Foundation Limited (港區省級政協委員聯誼會基金有限公司永遠名譽會長) since July 2018 and a member of the Seventh Shenzhen Committee of the Chinese People's Political Consultative Conference (政協深圳市第七屆委員會委員) since April 2021.

Dr. Chuang graduated from the University of East Anglia, United Kingdom with a Bachelor of Science degree in July 1992 and obtained an Honorary Doctorate (Honorary Doctor of philosophy) in finance from the Lincoln University College, Malaysia in April 2020. He is also a qualified accountant and has been a member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants since May 1997 and January 1998, respectively.

Each of the Investors is an Independent Third Party.

INFORMATION REQUIRED UNDER THE TAKEOVERS CODE

Dr. Chuang, on behalf of the Investors, has confirmed to the Company and the Liquidators that, as at the date of this joint announcement, save for entering into the Restructuring Agreement and any other related transaction documents:

- (a) the Investors Concert Group does not hold, own, control or has direction over any Shares, outstanding options, warrants, or any securities that are convertible into Shares or any derivatives in respect of securities in the Company, or hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (b) the Investors Concert Group does not have any arrangement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Investors (save as holding the shares of the Investor) or the Company, which might be material to the transactions contemplated under the Restructuring Agreement, including the Subscription and the Whitewash Waiver;
- (c) the Investors Concert Group has not dealt in the Shares, outstanding options, derivatives, warrants or other securities (as defined in Note 4 to Rule 22 of the Takeovers Code) convertible or exchangeable into the Shares during the period commencing on the date falling six (6) months prior to 4 April 2022, being the date of the announcement in relation to the Framework Agreement and up to the date of this joint announcement;
- (d) the Investors Concert Group has not borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (e) there is no agreement or arrangement to which any member of the Investors Concert Group is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the transactions contemplated under the Restructuring Agreement;
- (f) the Investors Concert Group has not received any irrevocable undertaking relating to voting for or against the resolutions in respect of the Restructuring Agreement and the transactions contemplated thereunder, and the Whitewash Waiver, at the EGM;
- (g) there is no understanding, arrangement, agreement or special deal between the Investors Concert Group and any Shareholder; and
- (h) it shall comply with the applicable rules and regulations of the Listing Rules and the Takeovers Code.

As at the date of this joint announcement, the Company believes that the transactions contemplated under the Restructuring Agreement, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal would not give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this joint announcement, the Company will endeavor to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the dispatch of the circular, in respect of, among others, the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal.

GENERAL

The EGM will be convened and held to consider and, if thought fit, approve, among others, the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal.

An Independent Board Committee, comprising all independent non-executive Directors in compliance with Rule 2.8 of the Takeovers Code, will be established to advise the Independent Shareholders on the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal as well as how to vote at the EGM, taking into account the recommendations of the independent financial advisor.

The Company will appoint (with the approval of the Independent Board Committee) an independent financial advisor to advise the Independent Shareholders in accordance with the requirements under the Takeovers Code and the Listing Rules. Further announcement(s) will be made by the Company upon the appointment of the independent financial advisor.

Any Shareholder (or its associate) who was involved in or interested in the transactions contemplated under the Restructuring Agreement are required to abstain from voting at the EGM. Save for Mr. Jiang Changqing, his associates and Donghai, none of the other Shareholders or their associates was involved in or interested in the transactions contemplated under the Restructuring Agreement and hence, no other Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) to be proposed at the EGM. Mr. Jiang Changqing, his associates and Donghai will abstain from voting at the EGM.

The passing of the resolution(s) in relation to the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, and the Special Deal shall require the approval of more than 50% of the votes cast by the Independent Shareholders at the EGM by poll. In addition, the passing of the resolution in relation to the Whitewash Waiver shall require the approval of at least 75% of the votes cast by the Independent Shareholders at the EGM by poll.

The Company will submit an application to the Listing Committee for the listing of, and permission to deal in (a) the New Shares arising from the Capital Reorganization, (b) the Subscription Shares, (c) the Placing Shares and (d) the Creditors' Shares.

Under Rule 8.2 of the Takeovers Code, the Company is required to dispatch to the Shareholders a circular containing, among others, details of: (a) the Restructuring Agreement and the transactions contemplated thereunder; (b) the Specific Mandates; (c) the Whitewash Waiver; (d) the Special Deal; (e) the recommendation of the Independent Board Committee in relation to the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal; (f) a letter of advice from the independent financial advisor to the Independent Board Committee and the Independent Shareholders in relation to the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver and the Special Deal; and (g) a notice of the EGM within 21 days from the date of this joint announcement, that is, on or before 31 October 2022, or such later date as the Executive may approve. Further announcement(s) will be made as and when appropriate.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended with effect from 3:00 p.m. on Wednesday, 5 May 2021 and will remain suspended pending fulfillment of the Resumption Guidance and any supplement or modification thereto. Further announcements will be made to provide further updates to the Shareholders and potential investors of the Company as and when appropriate.

WARNINGS

The transactions contemplated under the Restructuring Agreement are subject to the fulfillment of various conditions and therefore may or may not materialize. The release of this joint announcement does not necessarily indicate that the Restructuring will be completed or trading in the Shares will be resumed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

The Company has submitted its Resumption Proposal to the Stock Exchange and will keep the Shareholders and investors informed of the latest developments by making further announcements as and when appropriate.

In the event that the Company fails to satisfy all of the Resumption conditions imposed by the Stock Exchange by 4 November 2022, the Listing Division of the Stock Exchange may recommend the Listing Committee to proceed with the cancellation of the Company's listing status.

DEFINITIONS

Unless the context requires otherwise, capitalized terms used in this joint announcement shall have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Admitted Scheme Claim(s)”	all Claim(s) against the Company by the Creditors which have been admitted under the Hong Kong Scheme by the Scheme Administrators or the adjudicator (as the case may be)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	board of Directors

“Business Day(s)”	a day on which banks in Hong Kong are generally open for business throughout their normal business hours (other than a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which “extreme conditions” caused by a super typhoon or a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“Capital Reduction”	the reduction of the issued share capital of the Company by reducing the par value of each issued Share from HK\$0.1 to HK\$0.001 by cancelling the paid up share capital to the extent of HK\$0.099 per issued Share
“Capital Reorganization”	the reorganization of the share capital of the Company by way of (i) the Capital Reduction; and (ii) the Sub-division
“Cayman Court”	the Grand Court of the Cayman Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Claim(s)”	any debt, liability or obligation of the Company as at the Scheme Effective Date, whether known or unknown, whether actual or contingent, whether present, future or prospective, whether liquidated or unliquidated, whether arising at common law, in equity or by statute, in Hong Kong or in any other jurisdiction or in any manner whatsoever and which includes without limitation a debt or liability to pay money or money’s worth, any liability for breach of trust, any liability in contract, tort or bailment, any liability arising out of an obligation to make restitution, and any liability arising out of any legal claims, whether actual or contingent together with all interest on such debt, obligation or liability
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Act”	Companies Act (2022 Revision) of the Cayman Islands, as consolidated and revised
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or modified from time to time

“Company”	China U-Ton Future Space Industrial Group Holdings Ltd. 中國優通未來空間產業集團控股有限公司 (In Liquidation), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange (Stock code: 6168)
“Completion”	completion of the Restructuring
“Completion Date”	the date of Completion
“connected persons”	has the meaning ascribed thereto under the Listing Rules
“Creditors”	the creditors of the Company
“Creditors’ Shares”	2,859,942,965 New Shares, which represents 10% of the Enlarged Issued Share Capital, to be allotted and issued by the Company to the Scheme Co under the Hong Kong Scheme, and each a “Creditors’ Share”
“Director(s)”	director(s) of the Company
“Donghai”	Donghai Investment Fund Series SPC, acting on behalf and for the accounts of Donghai Overseas Stable Income Fund SP
“Dr. Chuang”	Dr. Chuang Tsz Cheung, Christopher, the sole director and sole beneficial owner of each of GSC and TGM
“EGM”	an extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve, among others, (i) the Restructuring Agreement and the transactions contemplated thereunder; (ii) the Specific Mandates; (iii) the Whitewash Waiver; and (iv) any other matters as required by law, the Listing Rules, the Takeovers Code, the Stock Exchange and/or the SFC, which are necessary to give effect to any transactions contemplated under the Restructuring Agreement
“Enlarged Issued Share Capital”	the total number of issued Shares upon Completion as enlarged by the allotment and issue of the Subscription Shares, the Placing Shares and the Creditors’ Shares
“Excluded Subsidiaries”	the subsidiaries of the Company to be transferred to the Scheme Co
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate

“Framework Agreement”	the framework agreement dated 29 March 2022 entered into between the Company, the Investors and Mr. Jiang Changqing in relation to, among others, the Investors expressing its interest to invest a total amount of HK\$100,000,000 into the Company for the purpose of and in connection with the implementation of the Restructuring
“Group”	the Company and its subsidiaries
“Group Reorganization”	the reorganization of the Group involving, inter alia, the transfer of the Excluded Subsidiaries to the Scheme Co
“GSC”	GSC Limited (formerly known as Harrod Invest Limited), a company incorporated in the Republic of the Marshall Islands with limited liability, which is beneficially wholly-owned by Dr. Chuang
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Court”	the High Court of Hong Kong
“Hong Kong Scheme”	the proposed scheme of arrangement pursuant to Section 670, 671, 673 and 674 of the Companies Ordinance and to be made between the Company and the Creditors
“Independent Board Committee”	an independent committee of the Board comprising the independent non-executive Directors, namely Mr. Wang Haiyu, Mr. Mok Hon Kwong Thomas and Mr. Ma Yu-heng, who have no direct or indirect interest in the Restructuring, to be established in accordance with the Takeovers Code to advise the Independent Shareholders on whether the Restructuring Agreement and the transactions contemplated thereunder, the grant of Specific Mandates, the Whitewash Waiver and the Special Deal are fair and reasonable; and as to the voting of the relevant resolution(s)
“Independent Shareholder(s)”	Shareholder(s) (other than: (a) the Investors Concert Group; and (b) those Shareholders (other than in their capacity as a Shareholder of the Company) who are interested or involved in, the Restructuring Agreement and the transactions contemplated thereunder, the grant of the Specific Mandates, the Whitewash Waiver or the Special Deal, and their associates and parties acting in concert with any of them (including Mr. Jiang, his associates and Donghai)) who are permitted to vote at the EGM under the Listing Rules and the Takeovers Code

“Independent Third Party(ies)”	any person or company together and their respective ultimate beneficial owner(s), who, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Investors”	GSC and Dr. Chuang
“Investors Concert Group”	the Investors, its/their ultimate beneficial owner(s) and parties acting in concert with any of them
“Issue Price”	approximately HK\$0.004662 per Creditors’ Share, being the issue price of each Creditors’ Share
“Last Trading Day”	5 May 2021, the last trading day before the suspension of trading in the Shares
“Liquidators”	Mr. Ho Man Kit and Ms. Kong Sze Man Simone of Maninvest Asia Limited, who have been appointed as joint and several liquidators of the Company pursuant to an order dated 25 June 2021 made by the Hong Kong Court
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the first anniversary of the date of the Restructuring Agreement (i.e. 29 September 2023), or such later date as the parties to the Restructuring Agreement may agree in writing
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company, as amended from time to time
“Mr. Jiang”	Mr. Jiang Changqing, an executive Director and the chairman of the Board
“New Share(s)”	the new Share(s) following the Capital Reorganization of unissued shares becoming effective with a par value of HK\$0.001 each
“Placing”	the placing of Placing Shares by the Placing Agent pursuant to the terms of the Placing Agreement

“Placing Agent”	a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities to be engaged by the Company, which will place the Placing Shares to the Independent Third Parties
“Placing Agreement”	the placing agreement to be entered into between the Company, the Liquidators and the Placing Agent in respect of the Placing
“Placing Price”	approximately HK\$0.004662 per Placing Share
“Placing Share(s)”	up to 1,429,971,482 New Shares to be issued and allotted under the Placing
“PRC”	The People’s Republic of China which, for the purpose of this joint announcement, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“PRC Debt Arrangement”	not more than RMB26,000,000 (equivalent to approximately HK\$28,600,000) from the Subscription Proceeds for settlement of the bank borrowing of the Company’s subsidiary in the PRC in order to fully and finally discharge all of the Company’s guaranteed liability in the PRC upon Completion
“Restructuring”	restructuring of the Group which includes (i) the Capital Reorganization; (ii) the Subscription; (iii) the Group Reorganization; (iv) the Placing; (v) the PRC Debt Arrangement; (vi) the Hong Kong Scheme; and (vii) the Resumption
“Restructuring Agreement”	the restructuring agreement dated 29 September 2022 and entered into amongst the Company, the Liquidators and the Investors in relation to the Restructuring
“Restructuring Expenses”	costs and expenses for the purpose of implementing the Restructuring, including the fees of the Liquidators, as well as the legal advisors, auditors, financial advisors and internal control consultant of the Company, but excluding the professional fees of the Investor’s advisors
“Resumption”	resumption of trading of the Shares (or the New Shares if the Capital Reorganization has become effective) on the Stock Exchange

“Resumption Guidance”	the resumption guidance issued by the Stock Exchange to the Company dated 7 July 2021 for the Resumption and the additional resumption guidance issued by the Stock Exchange to the Company dated 22 September 2022 (as supplemented or amended by the Stock Exchange from time to time)
“Resumption Proposal”	the proposal in relation to the Resumption submitted by the Company to the Stock Exchange on 7 October 2022
“Retained Group”	the Company and its subsidiaries upon the completion of the Group Reorganization
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Administrators”	any persons acting jointly and severally or their successors to be elected and appointed pursuant to the Hong Kong Scheme
“Scheme Assets”	the assets for distribution under the Hong Kong Scheme and to be held by the Scheme Co and realized by the Scheme Administrators in accordance with the terms of the Hong Kong Scheme
“Scheme Co”	a company to be incorporated in Hong Kong with limited liability, being a special purpose vehicle to be held and controlled by the Scheme Administrators
“Scheme Creditors”	collectively, all the Creditors with Admitted Scheme Claims against the Company
“Scheme Effective Date”	the effective date of the Hong Kong Scheme
“Scheme Meeting”	the meeting(s) of the Creditors to be convened at the direction of the Hong Kong Court for the purpose of considering and, if thought fit, approving the Hong Kong Scheme
“SFC”	The Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) or the New Share(s)

“Special Deal”	the proposed settlement of the indebtedness to Donghai under the Hong Kong Scheme, which constitutes a special deal under Note 5 to Rule 25 of the Takeovers Code
“Specific Mandates”	the specific mandates to be granted to the Directors by the required majority of the Independent Shareholders at the EGM for the allotment and issue of the Subscription Shares, the Creditors’ Shares and the Placing Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-division”	the sub-division of each authorized but unissued Share into 100 authorized and unissued New Shares
“Subscription”	the subscription by the Investors of the Subscription Shares pursuant to the terms and conditions of the Restructuring Agreement and the terms of the share subscription agreement contemplated thereunder
“Subscription Agreement”	the share subscription agreement to be entered into by the Company, the Liquidators and the Investors in relation to the Subscription
“Subscription Amount”	the total subscription amount of approximately HK\$100,000,000 payable by the Investors to the Company for the Subscription
“Subscription Price”	the subscription price of approximately HK\$0.004662 per Subscription Share
“Subscription Share(s)”	21,449,572,237 New Shares to be subscribed by the Investors under the Subscription
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers issued by the SFC
“TGM”	TGM Groups Holding Limited, a company incorporated in the British Virgin Islands with limited liability, which owns the entire issued share capital of GSC, and is wholly-owned by Dr. Chuang
“Whitewash Waiver”	a waiver to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code of the obligations on the part of the Investors to make a mandatory general offer under Rule 26 of the Takeovers Code for all the securities of the Company not already owned or agreed to be acquired by the Investors Concert Group as a result of the Completion (including completion of the Subscription)
“Winding Up Order”	the winding up order made by of the Hong Kong Court against the Company on 5 May 2021

“Winding Up Proceedings”	the Companies (Winding-Up) Proceedings No.57 of 2021 in the Hong Kong Court
“Working Capital”	working capital for the Company in the amount of HK\$13,700,000
“%”	per cent

Mr. Ho Man Kit
Joint and Several Liquidator of
CHINA U-TON FUTURE SPACE
INDUSTRIAL GROUP HOLDINGS LTD.
(In Liquidation)

Hong Kong, 11 October 2022

For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.10 has been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in HK\$ or RMB has been, could have been or may be converted at such a rate.

As at the date of this joint announcement, the executive Directors are Mr. Jiang Changqing, Mr. Zhao Feng, Ms. Liu Jianzhou, Mr. Chen Qizheng, Mr. Liu Zhen and Mr. Mok Kwan Leong; the independent non-executive Directors are Mr. Wang Haiyu, Mr. Mok Hon Kwong Thomas and Mr. Ma Yu-heng.

The affairs, business and property of the Company in Hong Kong are being managed by Mr. Ho Man Kit and Ms. Kong Sze Man Simone, the joint and several liquidators, who act as the agent of the Company only and without personal liability.

The Directors and the Liquidators jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Investors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of GSC) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

Dr. Chuang, the sole director of GSC, accepts full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statements in this joint announcement misleading.

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