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CHINA PROPERTIES GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1838)

QUARTERLY UPDATE ON STATUS OF RESUMPTION

This announcement is made by China Properties Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 24 March 2021, 30 April 2021, 31 May 2021, 16 August 2021 and 6 May 2022 in relation to, among other matters, delay in publication of the 2020 Annual Results and the 2021 Interim Results, delay in despatch of the 2020 Annual Report and the 2021 Interim Report, the Resumption Guidance and suspension of trading in the shares of the Company from 9:00 a.m. on 1 April 2021; (ii) the quarterly update announcements of the Company dated 30 June 2021, 30 September 2021, 30 December 2021, 30 March 2022, 30 June 2022 and 30 September 2022; (iii) the announcement of the Company dated 16 July 2021 in relation legal proceedings against a number of subsidiaries of the Group; (iv) the announcements of the Company dated 18 March 2022, 4 May 2022, 1 June 2022, 13 July 2022, 25 July 2022, 19 September 2022, 28 November 2022 and 16 December 2022 in relation to a winding up petition against the Company; (v) the announcements of the Company dated 30 September 2022 in relation to the annual results of the Group for the years ended 31 December 2020 and 2021 and interim results of the Group for the six months ended 30 June 2021 and 2022; and (vi) the announcements of the Company dated 10 November

2022 and 15 November 2022 in relation to, among other things, the decision of the Listing Committee of the Stock Exchange on cancellation of listing of the Company and the subsequent review request submitted to the Listing Review Committee (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements. The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to provide the shareholders of the Company (the “**Shareholders**”) further update as follows:

QUARTERLY UPDATE REGARDING BUSINESS OPERATION OF THE GROUP

The Group is principally engaged in the property development and property investment business in the People’s Republic of China. To the best knowledge of the Directors and based on preliminary assessment, as at the date of this announcement, the suspension of the trading of the shares of the Company (the “**Shares**”) has not resulted in any significant adverse impact on the business operations of the Group in all material respects. Updates on the Petition and legal proceedings are set out in the section headed “Other Updates on the Petition and Legal Proceedings” below.

The Company will continuously assess the impact on the Company’s operations, if any, take appropriate measures and make further announcement(s) as and when appropriate.

UPDATE ON RESUMPTION PROGRESS

As disclosed in the announcements of the Company dated 31 May 2021 and 6 May 2022, the Stock Exchange has set out the Resumption Guidance for the Company:

- (i) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (ii) demonstrate the Company’s compliance with Rule 13.24 of the Listing Rules;
- (iii) inform the market of all material information for the Company’s shareholders and investors to appraise the Company’s position; and
- (iv) have the winding-up petition (or order, if made) against the Company withdrawn or dismissed and the appointment of any liquidator discharged (if any).

The Company has (i) published announcements dated 30 September 2022 in relation to its 2020 Annual Results, 2021 Interim Results, 2021 Annual Results and the interim results for the six months ended 30 June 2022; and (ii) despatched the 2020 Annual Report, the 2021 Interim Report, the 2021 Annual Report and the interim report for the six months ended 30 June 2022 on 31 October 2022.

SUBMISSION OF REVIEW REQUEST

As disclosed in the announcement of the Company dated 15 November 2022, the Company has submitted the Review Request to the Secretary of the Listing Review Committee (as defined in the Listing Rules) on 15 November 2022 to request the Decision to be referred to the Listing Review Committee for review pursuant to Chapter 2B of the Listing Rules. Accordingly, the cancellation of the Company's listing on the Stock Exchange is pending the outcome of the Review Request.

Shareholders and potential investors of the Company are reminded that the outcome of the Review Request is uncertain. The Company will update its Shareholders and potential investors of the Company by making further announcement(s) as and when appropriate.

OTHER UPDATES ON THE PETITION AND LEGAL PROCEEDINGS

In relation to the Petition, on 28 November 2022, the Companies Judge granted leave (i) to each of the petitioner and the supporting creditor to file further affirmation by 18 January 2023; (ii) to the Company to file a further affirmation in opposition no less than 28 days before the substantive hearing; and (iii) to each of the petitioner and the supporting creditor to file a further affirmation in reply to the further affirmation filed by the Company no less than 14 days before the substantive hearing. A 2-day substantive hearing before the Companies Judge on 31 May 2023 and 1 June 2023 has been fixed. The Company will continue to seek legal advice on the matter. Please refer to the Announcements for further details on the Petition.

On 7 November 2022, Shanghai Jingan has commenced the following two separate civil proceedings against JIC Trust in Shanghai in tandem with the Review:

- (a) brought a direct claim against JIC Trust for defects occasioned by JIC Trust in the auction which took place between 15 September 2021 and 18 September 2021 pursuant to which the Lot #3 Land and the Lot #5 Land were auctioned; and
- (b) in respect of a settlement reached with JIC Trust whereby Shanghai Jingan will repay the principal amount of RMB1.2 billion under the JIC Trust Entrusted Loan together with interest and legal costs incurred (the “**Consent Judgement**”) before the Zhejiang Higher People's Court, challenge its validity and applied to set aside the Consent Judgement.

The Company will keep the Shareholders and investors informed of any significant development in respect of the Petition and legal proceedings of the Group and will make further announcement(s) as and when appropriate in accordance with the Listing Rules.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in Shares was suspended from 9:00 a.m. on 1 April 2021 and will remain suspended until further notice.

Shareholders and potential investors should exercise caution when dealing in the Shares.

By Order of the Board
CHINA PROPERTIES GROUP LIMITED
Dr. Wang Shih Chang, George
Chairman

Hong Kong, 30 December 2022

As at the date of this announcement, the Board comprises Dr. Wang Shih Chang, George, Mr. Wong Sai Chung and Mr. Xu Li Chang as executive Directors, Mr. Kwan Kai Cheong as non-executive Director and Mr. Warren Talbot Beckwith, Mr. Luk Koon Hoo and Dr. Garry Alides Willinge as independent non-executive Directors.