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中国优通控股
China UT Holding

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)

**UPDATE ON SUSPENSION OF TRADING AND
QUARTERLY UPDATE ON RESUMPTION PROGRESS**

This announcement is made by China U-Ton Future Space Industrial Group Holdings Ltd. (In Liquidation) (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), 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 the announcements of the Company dated 5 May 2021, 29 June 2021, 8 July 2021, 4 August 2021, 4 November 2021, 31 January 2022, 4 April 2022, 4 May 2022, 16 May 2022, 24 May 2022, 4 July 2022, 4 August 2022, 16 September 2022, 27 September 2022, 11 October 2022, 14 October 2022, 20 October 2022, 26 October 2022, 4 November 2022, 24 November 2022, 23 December 2022, 30 December 2022, 5 January 2023, 31 January 2023 and 6 February 2023 (together, the “**Announcements**”) in relation to, among other things, (i) winding up of the Company by the High Court of Hong Kong and suspension of trading of the Shares; (ii) appointment of joint and several liquidators of the Company; (iii) Resumption Guidance; (iv) quarterly updates on the resumption progress; (v) the entering into of the Framework Agreement; (vi) the Capital Reduction and the Sub-division; (vii) Suspected Unauthorized Subscription, (viii) Additional Resumption Guidance; (ix) the entering into of the Restructuring Agreement; (x) appointment of independent financial adviser; and (xi) appointment of company secretary; (xii) key findings of the independent forensic investigation and the specific internal control review in relation to the Suspected Unauthorized Subscription and the review by the Special Investigation Committee; (xiii) the publication of annual results for the year ended 31 December 2020 and 2021, and interim results for the six months ended 30 June 2021 and 2022; (xiv) decision of the Listing Committee; (xv) poll results of the EGM on 30 December 2022; (xvi) request for review of the decision of the Listing Committee; (xvii) completion of the Comprehensive Internal Control Review; (xviii) cancellation on the issued shares of the Company in relation to the Suspected Unauthorized Subscription; and (xix) resignation and appointment of Directors. Capitalized terms herein shall bear the same meanings as defined in the Announcements, unless stated otherwise.

UPDATES ON THE RESUMPTION PROGRESS

Update on the Restructuring

References are made to the announcements of the Company dated 4 April 2022, 11 October 2022, 31 October 2022 and 30 December 2022 in relation to, among other things, the Restructuring.

As disclosed in the joint announcement of the Company and GSC Limited dated 10 October 2022, the Company and the Liquidators entered into the Restructuring Agreement with the Investors on 29 September 2022, 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 EGM was held on 30 December 2022, during which the Independent Shareholders have, by way of ordinary resolutions:

1. approved the terms of the Restructuring Agreement involving the Capital Reorganization, the Subscription, the Placing, the Hong Kong Scheme and the transactions contemplated thereunder, the terms of the subscription agreement, and the allotment and issue of the Subscription Shares, Placing Shares and the Creditors' Shares;
2. granted the Specific Mandates to the Directors to issue and allot the Subscription Shares, the Placing Shares and the Creditors' Shares;
3. approved the Special Deal; and
4. approved the appointment of Dr. Chuang Tze Cheung Christopher, Ms. Tang Shaofen and Mr. Xie Jinggaung as executive Directors, and the appointment of Ms. Lai Yeung Fun, Mr. Zhong Weifeng and Mr. Zhang Lu Fu as independent non-executive Directors.

In addition, the Independent Shareholders have, by way of special resolution, approved the Whitewash Waiver.

On 7 December 2022, the Executive has conditionally granted the Whitewash Waiver to the Investors; and the Executive has conditionally consented to the Special Deal. The sole condition to the Executive's consent to the Special Deal has been fulfilled as the Special Deal has been approved by the Independent Shareholders at the EGM by poll.

Capital Reorganization

References are made to the announcements of the Company dated 27 June 2022, 14 October 2022 and 24 November 2022 in relation to, among others, the Capital Reorganization.

Further to the Shareholders' passing of a special resolution to approve the Capital Reorganization at the extraordinary general meeting of the Company held on 27 June 2022 ("June 2022 EGM"), the Cayman Court has, by an order dated 22 November 2022, confirmed the Capital Reduction and given an order in terms of the special resolution as resolved by the Company at the June 2022 EGM. A copy of the said order and the minute approved by the Cayman Court containing the particulars required under the Companies Act with respect to the Capital Reduction has been filed with the Registrar of Companies of the Cayman Islands on 23 November 2022 (Cayman Islands time).

The expected effective date of the Capital Reorganization is subject to the fulfilment of other conditions of the Capital Reorganization and the conditions of the Restructuring Agreement.

RESUMPTION GUIDANCE

References are made to the announcements of the Company dated 8 July 2021 and 27 September 2022 and in relation to the Resumption Guidance issued by the Stock Exchange to the Company.

The Company has been taking steps and formulating a viable resumption proposal to fully comply with the Resumption Guidance and the Listing Rules to the Stock Exchange's satisfaction in order to have trading in the Shares resumed. As of the date of this announcement, the Board considers that most of the Resumption Guidance have been fulfilled save for the withdrawal or dismissal of the Winding Up Order, and provide below an update on the fulfillment of the Resumption Guidance:

RG1 – publish all outstanding financial results required under the Listing Rules and address any audit modifications

On 4 November 2022, the Company published the annual results for the year ended 31 December 2020 and 2021, and interim results for the six months ended 30 June 2021 and 2022. On 11 November 2022, the Company published the annual reports for the year ended 31 December 2020 and 2021, and interim reports for the six months ended 30 June 2021 and 2022. The audit modifications have been addressed fully and satisfactorily by way of (i) cancellation of the issued shares of the Company in relation to the Suspected Unauthorized Subscription; and (ii) the Restructuring.

As of the date of this announcement, the Board considers that the Company has published all outstanding financial results required under the Listing Rules and the audit modifications have been addressed accordingly.

RG2 – have the Winding Up Order against the Company withdrawn or dismissed and liquidators (provisional or not) discharged

The Company proposes to restructure its debts through, among other things, the Hong Kong Scheme. Subject to the approval of the Creditors and the Hong Kong Court, on Completion, 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.

A hearing before the Hong Kong Court will take place on 8 February 2023, during which the Company will apply to convene the scheme meeting for the Hong Kong Scheme. It is anticipated that the Hong Kong Court will direct the scheme meeting to be convened on 15 March 2023. A further hearing at the Hong Kong Court will be fixed as soon as possible for the petition and applications by the Company for, amongst others, the sanction of the Hong Kong Scheme, the permanent stay of the Winding Up Order, and the discharge of the Liquidators, assuming that the Creditors approve the Hong Kong Scheme.

RG 3 – conduct an independent forensic investigation into the Suspected Unauthorized Subscription, announce the findings and take appropriate remedial action

The Company has established the Special Investigation Committee and appointed an independent investigator to conduct the Specific Internal Control Review on 22 August 2022 and engaged the Forensic Investigator on 12 October 2022 to conduct the Independent Forensic Investigation.

On 4 November 2022, the Company has published the announcement in respect of the Independent Forensic Investigation and the Specific Internal Control Review, the findings of the same, and the appropriate remedial actions recommended by the Special Investigation Committee.

Following the recommendations of the Special Investigation Committee that the management of the Company should be replaced by professionals with relevant experiences, on 31 January 2023, the Company has announced that five executive Directors, namely Mr. Jiang Changqing, Mr. Zhao Feng, Ms. Liu Jianzhou, Mr. Chen Qizheng and Mr. Liu Zhen, together with the independent non-executive Director, namely Mr. Wang Haiyu, have tendered their resignations as Directors. On the same date, the Company has appointed Dr. Yu Chin Pang and Mr. Chan Justin Sano as an executive Director and an independent non-executive Director respectively. As a result of the above as well as other remedial measures taken by the Company, the Company has taken all appropriate remedial actions in response to the Suspected Unauthorized Subscription.

RG4 – 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

On 22 August 2022, the Company engaged the Internal Control Consultant to conduct a comprehensive review of the internal control systems and procedures of the Company (“**Comprehensive Internal Control Review**”) and to make recommendations accordingly to ensure that the Company has in place adequate internal control and procedures to comply with the Listing Rules.

The Internal Control Consultant has produced an interim internal control report on 24 October 2022 in relation to the internal control systems and procedures of the Company which has identified certain internal control weaknesses of the Company and has made certain recommendations to improve the internal control systems. The Company has taken active steps in rectifying the identified internal control weaknesses and carrying out the recommendations from the Internal Control Consultant.

The full implementation of the remedial actions recommended by the Internal Control Consultant has been completed in January 2023, and the Internal Control Consultant has further conducted a review on the effectiveness of these remedial actions undertaken. The Internal Control Consultant has produced the final internal control report on 17 January 2023. On 31 January 2023, the Company has published an announcement in relation to the findings by the Internal Control Consultant and the remedial actions undertaken by the Company. The Special Investigation Committee and the Board are of the view that the remedial actions implemented by the Company are sufficient and adequate to address all the findings of the Comprehensive Internal Control Review. The Board is also of the view that following the conclusion of the Comprehensive Internal Control Review, the Group's enhanced internal control systems are sufficient to meet the obligations of the Company under the Listing Rules and to safeguard its interest.

RG5 – demonstrate its compliance with Rules 13.24, 3.10, 3.10A, 3.21 and 3.28 of the Listing Rules

Business Operation

On 7 October 2022, the Company has submitted the Resumption Proposal to the Stock Exchange. The Resumption Proposal set forth the business, financial and other material information of the Company to demonstrate that the Company has sufficient operations and assets to fully comply with Rule 13.24 of the Listing Rules and to illustrate the steps undertaken by the Company to satisfy the general obligations as required under the Listing Rules.

Appointment of independent non-executive Directors and the Board Composition

As disclosed in the announcement of the Company dated 24 May 2022, the Company has appointed Mr. Mok Hon Kwong Thomas and Mr. Ma Yu-heng as the independent non-executive Directors of the Company effective from the date thereof. Mr. Mok Hon Kwong Thomas has been appointed as the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee and Mr. Ma Yu-heng has been appointed as the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee.

On 31 January 2023, the Company has announced that five executive Directors, namely Mr. Jiang Changqing, Mr. Zhao Feng, Ms. Liu Jianzhou, Mr. Chen Qizheng and Mr. Liu Zhen, together with the independent non-executive Director, namely Mr. Wang Haiyu, have tendered their resignations as Directors. On the same date, the Company has appointed Dr. Yu Chin Pang and Mr. Chan Justin Sano as an executive Director and an independent non-executive Director respectively.

On 6 February 2023, the Company has announced that independent non-executive Director Mr. Mok Hon Kwong Thomas has resigned as a Director and Ms. Wong Cheuk Wai, Helena has been appointed as an independent non-executive Director and a member of each of the Audit Committee, Nomination Committee and the Remuneration Committee while Mr. Ma Yu-heng has been appointed as the chairman of the Audit Committee on the same date.

Following the above, the Company has been in compliance with the requirements of Rules 3.10, 3.10A, 3.21 and 3.27A of the Listing Rules.

Appointment of company secretary

The Company has appointed Mr. Cheung Kwok Wo as the company secretary of the Company. Following the appointment, the Company has been in compliance with Rule 3.28 of the Listing Rules.

In light of the above, as of the date of this announcement, the Board is of the view that the Company has fulfilled all the conditions in the Resumption Guidance except to have the Winding Up Order against the Company withdrawn or dismissed and liquidators (provisional or not) discharged.

REQUEST FOR REVIEW OF THE DECISION OF THE LISTING COMMITTEE

On 23 December 2022, the Company received a letter from the Stock Exchange, stating that the Listing Committee has decided to cancel the Company's listing. On 5 January 2023, the Company lodged a written request to the Stock Exchange for the Delisting Decision to be referred to the Listing Review Committee for review. The review hearing with the Listing Review Committee is scheduled on 31 March 2023 and the Company has submitted its written submission to the Listing Review Committee on 2 February 2023.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 3:00 p.m. on Wednesday, 5 May 2021 and will remain suspended pending fulfilment 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.

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

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

Hong Kong, 6 February 2023

As at the date of this announcement, the executive Directors are Mr. Mok Kwan Leong and Dr. Yu Chin Pang; the independent non-executive Directors are Mr. Ma Yu-heng, Mr. Chan Justin Sano and Ms. Wong Cheuk Wai, Helena.

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.