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三盛控股

Sansheng Holdings (Group) Co. Ltd.

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三盛控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2183)

QUARTERLY UPDATE ON STATUS OF RESUMPTION

This announcement is made by Sansheng Holdings (Group) Co. Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09, 13.19 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 the announcement of the Company dated 11 November 2022 in relation to the quarterly updates on its status of resumption (the “**November Update Announcement**”) and the announcements referred to therein. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the November Update Announcement.

LATEST DEVELOPMENT OF THE GROUP

Business operations and liquidity

From the fourth quarter of 2021, individual real estate enterprises have experienced difficulties in operating cash flows due to the continuous tightening of management policies on the real estate industry in the PRC, especially the sudden tightening of financial policies, which have led to defaults in the open market. The resulting credit squeeze has pierced the confidence of the industry in financing and caused general liquidity difficulties in the entire real estate industry, thus further causing a drop in consumer confidence as well as a continuous weakness in the overall market.

In response to the rapid changes in the external environment, the Group has taken a series of countermeasures to ensure delivery of properties and smooth operations, and maintain and balance the interests of all stakeholders of the Company, including adjustment of investment structure, suspension of investment plans, acceleration of collection of sales payments, disposal of certain assets, optimisation of organisational structure and reducing unessential expenses with a view to minimise the negative impact of the sudden changes in the general environment and to maintain a foundation for continued development of the Group in the future after market confidence is restored.

As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects. The Board considers that the Company has always complied with Rule 13.24 of the Listing Rules.

As disclosed in the November Update Announcement, the Company has not made any repayment upon the maturity of the July 2022 Notes and the November 2022 Notes. Certain Renminbi denominated bonds issued by a wholly-owned subsidiary of the Company have become due and payable on 14 January 2023 (the “**January 2023 Bonds**”). The amount of principal of the January 2023 Bonds is RMB459,828,000 and the amount of interest involved is RMB4,920,154.25 as at the date of this announcement. As at the date of this announcement, the Company is actively negotiating with the holders of the July 2022 Notes, the November 2022 Notes and the January 2023 Bonds to seek stability in order to expedite the implementation of a mutually agreed solution to address the financial challenges currently faced by the Group.

As at the date of this announcement, the Group has not received any notification from any other creditors in relation to any enforcement action or any action to accelerate the settlement of other offshore financing arrangements.

The Company is continuously assessing the legal, financial and operational impact of the default on the Existing Notes and the January 2023 Bonds over the Group. The Directors will closely monitor the development of the abovementioned matters and will keep the shareholders of the Company, holders of the Existing Notes and the January 2023 Bonds, other stakeholders and potential investors updated by way of further announcement(s) in accordance with the Listing Rules as and when appropriate.

THE 2021 AUDITED ANNUAL RESULTS, THE 2022 INTERIM RESULTS AND THE INDEPENDENT INVESTIGATION

As disclosed in the November Update Announcement, the Independent Investigation is still ongoing, and the Company will make further announcement(s) on the material developments and progress of the Independent Investigation in due course. The Independent Investigator has substantially completed the review of documentary information made available by the Company, investigative due diligence research, and forensic technology procedures. On 12 December 2022, the Board established an independent board committee comprising all the independent non-executive Directors, namely Mr. Pan Dexiang, Mr. Wong Heung Ming Henry and Mr. Zhu Hongchao in connection with the Independent Investigation. In view of the ongoing Independent Investigation, the 2021 Audited Annual Results and the 2022 Interim Results have not been completed. The Board and the management of the Company are making every effort to assist and cooperate with the Independent Investigator with a view to finalising and publishing (i) the 2021 Audited Annual Results; (ii) the 2021 annual report; (iii) the 2022 Interim Results; and (iv) the 2022 interim report as soon as practicable upon completion of the Independent Investigation and the audit process.

INFORM THE MARKET OF MATERIAL INFORMATION

Since the Suspension of Trading, the Company has been updating its shareholders and investors of the material up-to-date information of the Company from time to time. The Company will continue to inform the market of all material information as and when appropriate.

The Company is taking appropriate steps to fulfil the Resumption Guidance and will update the shareholders of the Company and potential investors on, among others, such progress in due course.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 10:57 a.m. on 16 May 2022, and will remain suspended pending fulfilment of the Resumption Guidance and any supplement or modification thereto.

By order of the Board
Sansheng Holdings (Group) Co. Ltd.
Lin Rongbin
Chairman

Hong Kong, 10 February 2023

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Lin Rongbin and Ms. Cheng Xuan; two non-executive Directors, namely Mr. Zhang Jingui and Mr. Zhou Tao David; and three independent non-executive Directors, namely Mr. Pan Dexiang, Mr. Wong Heung Ming Henry and Mr. Zhu Hongchao.