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CHINA HUAJUN GROUP LIMITED

中國華君集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

INSIDE INFORMATION – BANKRUPT LIQUIDATION PETITION AGAINST A SUBSIDIARY OF THE COMPANY

This announcement is made by China Huajun Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.25(1)(b) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company would like to inform the shareholders (the “**Shareholders**”) of the Company and the potential investors that it has recently come to the attention of the Company that Jiangsu Yangze Construction Engineering Co., Ltd.* (江蘇揚澤建設工程有限公司) (the “**Petitioner**”), presented a bankrupt liquidation petition (the “**Petition**”) against Bao Hua Properties (Jiangsu) Co., Ltd.* (保華地產(江蘇)有限公司) (“**Bao Hua Jiangsu**”), an indirect wholly-owned subsidiary of the Company in the People’s Republic of China (the “**PRC**”), in the Court of People’s Court of Gaoyou City, Jiangsu Province (“**Gaoyou People’s Court**”).

The Petitioner alleges in the Petition that Bao Hua Jiangsu is unable to repay the construction payments of approximately RMB95.7 million and related interest due and owing to the Petitioner. According to the “Civil Judgement” dated 13 January 2023 issued by the Gaoyou People’s Court, the application of the Petition was accepted.

On 28 January 2023, Gaoyou People’s Court issued a decision letter for the designation of a group of individuals as the bankruptcy administrators to handle the bankruptcy liquidation of Bao Hua Jiangsu.

As at date of this announcement, Bao Hua Jiangsu is an indirect wholly-owned subsidiary of the Company, and it is principally engaged in property development. Bao Hua Jiangsu is considering the Petition and is seeking legal advice to the Petition. The Company will make further announcement(s) to keep its shareholders and investors informed of any significant development of the abovementioned Petition as and when appropriate.

As at date of this announcement, the Board is not aware that the Petition against Bao Hua Jiangsu has any material adverse impact to the business operations of the Group as a whole.

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

By order of the Board
China Huajun Group Limited
YAN Ruijie

Acting Chairman, Chief Executive Officer and Executive Director

Hong Kong, 24 February 2023

As at the date of this announcement, the Board comprises Mr. Meng Guang Bao (suspension of duties and powers), Mr. Yan Ruijie as executive Director; and Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping as independent non-executive Directors

If there is any inconsistency in this announcement between the Chinese and English versions and the English version shall prevail.

* *for identification purposes only*