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## **CHINA RESOURCES AND TRANSPORTATION GROUP LIMITED**

**中國資源交通集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 269)**

### **QUARTERLY UPDATE ON STATUS OF RESUMPTION**

This announcement is made by China Resources and Transportation Group Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 30 June 2023, in relation to, among others, the delay in publication of annual results for the year ended 31 December 2022, and the announcement dated 28 September 2023 in relation to Resumption Guidance as imposed by the Stock Exchange and continued suspension of trading (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

#### **UPDATE ON RESUMPTION PROGRESS**

As disclosed in the Announcements, the Company received from the Stock Exchange the following Resumption Guidance for the resumption of trading in the Company’s shares:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (b) demonstrate the Company’s compliance with Rule 13.24; and
- (c) announce all material information for the Company’s shareholders and investors to appraise its position.

Under Rule 6.01A(1), the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 2 January 2025. If the Company fails to remedy the issues causing its trading suspension, fulfill the resumption guidance and fully comply with the Rules to the Stock Exchange’s satisfaction and resume trading in its shares by 2 January 2025, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company’s listing. Under Rules 6.01 and 6.10, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

As disclosed in the Announcements, the Company is expecting to recover its shareholder's loan from Zhunxing after the restructuring plan has been approved by the Court and implemented by the Administrator. On 26 September 2023, the Court approved the draft restructuring plan (the "**Draft Plan**") of Zhunxing.

The Draft Plan proposed:

- (a) to repay approximately RMB 25.71 million of employee and tax debts in full within 12 months;
- (b) based on the property liquidation evaluation value:
  - (i). reduce the amount of secured debts to approximately RMB 5,057.81 million which shall be repaid over ten years. During the debt repayment period, the unrepaid principal will be subject to interest calculated at 50% of the five-year loan prime rate (LPR) announced by the National Interbank Loan Market Centre for the same period. The interest will be paid in the first two years without repayment of principal, and the principal will be repaid in the following eight years along with the interest; and
  - (ii). for the portion exceeding the evaluation value of approximately RMB 6,579.04 million, it will follow the ordinary debts' repayment plan and implement debt capitalisation for the portion exceeding RMB 1 million.
- (c) for ordinary debts (including the Company's shareholders' loan), the portion up to RMB 1 million will be fully repaid within 1 year, for the portion exceeding RMB 1 million, creditors may choose either cash repayment within 1 year at a repayment rate of 30%, or debt capitalisation.

According to the Draft Plan, all ordinary debt will convert into 49% of the share capital of Zhunxing after implementation of debt capitalisation, and Zhunxing's original shareholders' shareholding will be reduced to 51%, accordingly, the shareholding of the Company will be reduced to approximately 44.31%.

The Board will seek advice from lawyers and auditors for their opinions on the specific implementation of the above Draft Plan, the post-implementation effects, as well as the Company's shareholders' loan's recoverability. Further announcement(s) will be made by the Company in accordance with the Listing Rules and the requirement under the SFO as and when it is appropriate.

## **BUSINESS UPDATE**

The Group was principally engaged in expressway operations, CNG gas stations operation, growing and sales of forage and agricultural products and timber operations.

Notwithstanding the suspension of trading in the shares of the Company, the Company is carrying on its business operations as usual.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended from 9:00 a.m. on 3 July 2023 and will remain suspended until further notice.

By order of the Board  
**China Resources and Transportation Group Limited**  
Gao Zhiping  
*Co-Chairman*

Hong Kong, 10 October 2023

*As at the date of this announcement, the board of directors comprises five executive directors, namely Messrs Gao Zhiping, Lu Zhiming, Jiang Tao, Duan Jingquan and Wang Gang; and four independent non-executive directors, namely Messrs Jing Baoli, Bao Liang Ming, Xue Baozhong and Ms. Xu Hui.*