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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 – WINDING-UP PETITION AGAINST THE COMPANY**

This announcement is made by China Huajun Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 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 informed the shareholders (the “**Shareholders**”) of the Company and the potential investors that a winding-up petition (the “**Petition**”) dated 6 September 2023 was filed by LI Fuxing (李福興) (the “**Petitioner**”, an independent third party of the Company and its connected persons and holds the Bonds, as hereinafter defined) at the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company in relation to the non-payment of amount of HK\$209,246.58 as accrued interests at the rate of 6.5% accrued thereon arising from the bonds issued by the Company in the principal amount of HK\$2,000,000 (the “**Bonds**”).

#### **Effect of the Petition under the applicable laws and regulations**

Pursuant to section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), in a winding-up by the court, any disposal of property of the company (including things in action), and any transfer of shares, or alteration in the status of the members of the company, made after the commencement of the winding-up, shall, unless the court otherwise orders, be void. Any disposition made on or after 6 September 2023 will not be affected if the Petition is subsequently struck out, dismissed or permanently stayed, and hence the Board wishes to remind its shareholders and potential investors that, the transfer of the shares in the Company made on or after 6 September 2023 would be void without a validation order from the Court in the event that the Company is ultimately wound up.

The Company wishes to remind its shareholders and potential investors of the risk that the shares of the Company (the “**Shares**”), may be restricted as the deposits of the Shares into Central Clearing and Settlement System (“**HKSCC**”), may be suspended due to the Petition.

Pursuant to the circular (ref no. CD/DNS/CCASS/332/2016) dated 28 December 2016 issued by HKSCC in relation to the transfer of the shares of listed issuers in respect of which a winding-up petition is presented. After the winding-up petition has been presented, the transfer of shares made thereafter may be void without a validation order from the court. In view of the restrictions and the uncertainties that may arise in relation to the transfer of shares of the affected listed issuers, HKSCC may at any time, and without notice, exercise its powers under the General Rules of the Central Clearing and Settlement System (“**CCASS**”) to temporarily suspend any of its services in respect of the shares of the affected listed issuers. This may include the suspension of acceptance of deposits of share certificates of the affected listed issuers into the CCASS. The share certificates of the affected listed issuers received by HKSCC but not yet re-registered in HKSCC Nominees Limited’s name will also be returned to the relevant CCASS participant and HKSCC shall reserve the right to reverse any credit granted to such CCASS participant by debiting the relevant securities of the affected listed issuers from its CCASS account accordingly. These measures would generally cease to apply from the date when the winding-up petition has been struck out, dismissed or permanently stayed, or the affected listed issuer has obtained the necessary validation order from the relevant court(s).

The filing of the Petition in the High Court only as an application for the winding-up of the Company. No winding-up order has been granted by the High Court to wind up the Company. The first hearing of the Petition is scheduled to be heard on 15 November 2023 at 9:30 a.m. at the High Court.

### **Company’s position in relation to the Petition and actions to be taken**

In view of the above, the Company is in the course of seeking legal advice for determining the possible actions in respect of the Petition to protect the interests of the Company and its shareholders as a whole. In view of the impact of the possible winding-up order on the transfer of shares, the Company is also in the course of seeking advice from its legal advisers for the feasibility and necessity of possible application to the High Court for a validation order. Shareholders are reminded that there is no guarantee that the Company would apply for the validation order, or if applied, any validation order would be granted by the High Court. In the event where a validation order is not granted but the winding up order is not dismissed or permanently stayed, all transfers of Shares, made after the commencement of the winding-up, shall be void.

The Company will continue to proactively communicate and work with creditors on the possible restructuring plan, with the objective of announcing terms to the market as soon as practicable. Meanwhile, the Company will endeavor to keep active and good communication with the Petitioner, and will try to adhering to the principle of fairness to other creditors, to negotiate with the Petitioner amicably and properly handle related matters (including making efforts to procure the withdrawal or dismissal of the Petition as soon as possible).

## **Impact of the Petition to the Company's financial position and business operations**

In view of the amount involved, the Company considers that the Petition does not have a material or significant impact to the Company's financial position and business operations.

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

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

**Shareholders should note that the Company does not warrant that a validation order will be granted by the High Court and that any application made by the Company for a validation order may or may not be successful. In addition, any validation order granted by the High Court may also be subject to conditions.**

By order of the Board  
**China Huajun Group Limited**  
**YAN Ruijie**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 6 September 2023

*As at the date of this announcement, the Board comprises Mr. Yan Ruijie and Ms. Chen Yun as executive Director; and Mr. Shen Ruolei, Mr. Pun Chi Ping and Mr. Mok Yi Kwo 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.*