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## **WUZHOU INTERNATIONAL HOLDINGS LIMITED**

### **五洲國際控股有限公司**

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

**(Stock Code: 01369)**

### **US\$300,000,000 13.75% Senior Notes Due 2018 (the “Notes”)**

**(Stock Code: 5970)**

- (1) INSIDE INFORMATION;  
(2) RESUMPTION OF TRADING OF THE SHARES OF THE COMPANY;  
AND  
(3) CONTINUED TRADING HALT OF THE NOTES OF THE COMPANY**

This announcement is made by Wuzhou International Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the inside information provisions 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 28 June 2018 in relation to the trading halt of the shares and the Notes of the Company on the Stock Exchange pending the release of an announcement relating to inside information of the Company (the “**Announcement**”). Unless specified otherwise, capitalised terms used in this announcement shall have the same meanings as those used in the Announcement.

#### **INSIDE INFORMATION**

The board of directors of the Company (the “**Board**”) notes that an event of default (“**Event of Default**”) has occurred and is continuing under the Indenture Agreement dated 26 September 2013 for the issuance of the Notes (the “**Indenture Agreement**”).

Pursuant to Article 6.01(e) of the Indenture Agreement, there is an Event of Default if there occurs with respect to any indebtedness of the Company or any of its subsidiaries (collectively, the “**Group**”) having an outstanding principal amount of US\$7.5 million (or the equivalent thereof) or more, (a) an event of default has caused the holder thereof to declare such indebtedness to be due and payable prior to its maturity and/or (b) the failure to make a principal repayment when due.

According to the legal opinion of the Company’s PRC lawyers, as at the date of this announcement, the Group has defaulted on principal repayments of and received notices from its creditors demanding early repayment by reason of the occurrence of an event of default under the loan agreements for approximately RMB1,002 million. Some of the loans of the Group have also been declared by the creditors to be immediately due and payable on the basis that an event of default has allegedly occurred pursuant to various loan agreements. Further, five Civil Petitions have been issued in the PRC against, amongst others, the Company and/or its subsidiaries for repayment of loans, the details of which are as follows:

<b>Date</b>	<b>Plaintiffs</b>	<b>Defendants</b>	<b>Loan Amount</b>
May 2018	China Huarong Asset Management Co., Ltd Shanghai Branch (“ <b>Shanghai Huarong</b> ”)	<ol style="list-style-type: none"> <li>1. Wuxi Wuzhou Ornament City Co., Ltd (“<b>Wuxi Wuzhou Ornament City</b>”);</li> <li>2. Wuxi Wuzhou Commercial Management Co., Ltd;</li> <li>3. Mr. Shu Cecheng;</li> <li>4. Mr. Shu Cewan;</li> <li>5. Jiangsu Tongrun Development Co., Ltd;</li> <li>6. Ms. Zhu Lijuan; and</li> <li>7. Ms. Qi Xueqin</li> </ol>	RMB55 million
May 2018	Shanghai Huarong	<ol style="list-style-type: none"> <li>1. Wuxi Zhongnan Property Investment Co., Ltd (“<b>Wuxi Zhongnan</b>”);</li> <li>2. Wuxi Wuzhou Ornament City;</li> <li>3. Zhejiang Hongbei Investment Co., Ltd;</li> <li>4. Wuxi Wuzhou Property Co., Ltd;</li> <li>5. Mr. Shu Cecheng;</li> <li>6. Mr. Tang Chunlei;</li> <li>7. Mr. Xu Lingpeng;</li> <li>8. Wuxi Wuzhou Investment Co. Ltd;</li> <li>9. Ms. Zhu Lijuan;</li> <li>10. Ms. Xiong Yunyan; and</li> <li>11. Yixing Wuzhou Lisheng Development Co., Ltd</li> </ol>	RMB145 million

<b>Date</b>	<b>Plaintiffs</b>	<b>Defendants</b>	<b>Loan Amount</b>
28 May 2018	Shanghai Lvdi Asset Management Company Limited (“ <b>Shanghai Lvdi</b> ”)	<ol style="list-style-type: none"> <li>1. Ruian Wuzhou International Commercial City Co., Ltd (“<b>Ruian Wuzhou</b>”);</li> <li>2. Wuxi Chonganxincheng Longan Property Co., Ltd;</li> <li>3. Wuxi Longteng Commercial Investment &amp; Development Co., Ltd.;</li> <li>4. Wuxi Wuzhou Ornament City;</li> <li>5. Mr. Shu Cecheng; and</li> <li>6. The Company</li> </ol>	RMB40 million
28 May 2018	Shanghai Lvdi	<ol style="list-style-type: none"> <li>1. Ruian Wuzhou;</li> <li>2. Wuxi Wuzhou Ornament City;</li> <li>3. Wuxi Zhongnan;</li> <li>4. Mr. Shu Cecheng; and</li> <li>5. The Company</li> </ol>	RMB100 million
31 May 2018	<ol style="list-style-type: none"> <li>1. The Bank of East Asia (China) Limited, Nanjing Branch; and</li> <li>2. The Bank of East Asia (China) Limited, Wuxi Branch</li> </ol>	<ol style="list-style-type: none"> <li>1. Wuxi Longxiang Investment Co., Ltd;</li> <li>2. The Company;</li> <li>3. Wuxi Wuzhou Ornament City;</li> <li>4. Wuxi Wuzhou Business Operation Co., Ltd;</li> <li>5. Wuxi Longqian Property Management Co., Ltd; and</li> <li>6. Mr. Shu Cecheng</li> </ol>	RMB144.4 million

Therefore, an Event of Default has occurred and is continuing under Article 6.01(e) of the Indenture Agreement.

The Board is currently liaising with its creditors for extension of repayment period as well as alternative repayment arrangements and the Company will keep the shareholders of the Company and potential investors informed on the aforesaid Event of Default by way of further announcement(s) as and when appropriate.

If any of the Notes holders wish to enquire on the Notes, they should contact the Company by email at enquiry@hkwwzig.com.

## **RESUMPTION OF TRADING OF THE SHARES OF THE COMPANY**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 28 June 2018 pending the release of an announcement relating to inside information of the Company. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 5 July 2018.

## **CONTINUED TRADING HALT OF THE NOTES OF THE COMPANY**

At the request of the Company, trading in the Notes of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 28 June 2018 and will remain halted until further notice.

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

By order of the Board  
**WUZHOU INTERNATIONAL HOLDINGS LIMITED**  
**Shu Cecheng**  
*Chairman*

Hong Kong, 4 July 2018

*As at the date of this announcement, the Board comprises two executive Directors, being Mr. Shu Cecheng (Chairman) and Mr. Shu Cewan (Chief Executive Officer), and three independent non-executive Directors, being Dr. Song Ming, Prof. Shu Guoying and Mr. Zhou Chen.*