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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)**

### **ANNOUNCEMENT ON ARBITRATION**

This announcement is made by the board of directors (the “**Board**”) of Wuzhou International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules of Governing the Listing of Securities (the “**Listing Rules**”) 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).

The purpose of this announcement is to keep the shareholders and potential investors of the Company informed of a major arbitration the Group is involved for the time being.

### **ARBITRATION IN RESPECT OF DISPUTES OVER FINANCING CO-OPERATION CONTRACTS**

An arbitration in respect of disputes over financing co-operation contracts taken out by XingTai City YueSheng Real Estate Development Company Limited\* (邢台市月晟房地產開發有限公司) (“**XingTai YueSheng**”) to the Beijing International Arbitration Centre (the “**BIAC**”) against Wuxi Wuzhou International Ornamental City Co., Ltd\* (無錫五洲國際裝飾城有限公司), a subsidiary of the Company (the “**Defendant**”).

Pursuant to the application for arbitration dated 21 March 2020 (the “**Arbitration Application**”) received by the Group recently, XingTai YueSheng entered into a series of contracts with the Defendant, including but not limited to a financing co-operation contract and a supplemental agreement to the financing co-operation contract, both dated 16 January 2017, a loan agreement entered into in or about July 2017 and a supplemental agreement on merger and acquisition of fund investment cooperation agreement entered into in or about June 2018 (collectively the “**Financing Co-operation Contracts**”). As set out in the Arbitration Application, pursuant to the Financing Co-operation Contracts and various notices issued by XingTai YueSheng to the Defendant, the Defendant shall, inter alia, transfer to XingTai YueSheng all of its shares in JiaXing PingFang Real Estate Company Limited\* (嘉興平方置業有限公司) (“**JiaXing Company**”) which were valued at approximately RMB85,130,200, representing approximately 85.02% of the entire issued share capital of Jia Xing Company, repay XingTai YueSheng the loan in the sum of RMB22,111,900 and interests accrued thereon, and issue a financial service charge value-added tax invoice with tax rate at 6% in the sum of RMB50,000,000. As the Defendant failed to do any of the above despite repeated demands made by XingTai YueSheng and as XingTai YueSheng realised that all the shares of JiaXing Company owned by the Defendant have been seized by various courts since November 2018, XingTai YueSheng applied to BIAC on or about 31 March 2020 for an arbitral award that the Defendant shall pay to XingTai YueSheng the contract sum of RMB110,976,600 together with liquidated damages (to be calculated at the annual rate of 24%), legal costs and arbitrational costs, and shall issue a financial service charge value-added tax invoice with tax rate at 6% in the sum of RMB50,000,000.

## **CONTINUED TRADING SUSPENSION OF THE SHARES OF THE COMPANY**

Trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on 3 September 2018 and will remain suspended until further notice.

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

By Order of the Board  
**WUZHOU INTERNATIONAL HOLDINGS LIMITED**  
**Shu Cewan**  
*Chairman*

Hong Kong, 2 July 2020

*As at the date of this announcement, the Board comprises five executive Directors, being Mr. Shu Cewan (Chairman and Chief Executive Officer), Mr. Zhu Yongqiu, Mr. Shen Xiaowei, Ms. Cai Qiaoling and Mr. Zhou Chen, and three independent non-executive Directors, being Dr. Song Ming, Prof. Shu Guoying and Mr. Liu Chaodong.*

\* *In this announcement, the English names of the PRC entities or individuals are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*