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**VERY SUBSTANTIAL ACQUISITION  
IN RELATION TO  
ACQUISITION OF LAND USE RIGHTS  
IN MAOMING, THE PRC  
AND RESUMPTION OF TRADING**

**THE LAND ACQUISITION**

The Board is pleased to announce that the Purchaser, an indirect non-wholly-owned subsidiary of the Company, successfully won the bid of land use rights of the Land offered for sale by the Vendor through the Listing-For-Sale Process held by the Maoming Trading Center on 27 November 2019 at the Land Grant Price and the Purchaser has received the relevant Notification. The Purchaser will enter into the Confirmation Letter within 5 PRC Working Days of receiving the Notification (i.e. on or before 4 December 2019) to confirm the grant of the land use rights of the Land by the Vendor to the Purchaser. Within 10 PRC Working Days from the signing of the Confirmation Letter, the Purchaser will subsequently sign the Land Use Rights Grant Contract with the Vendor in accordance with the terms and conditions of the relevant listing-for-sale documents.

## **LISTING RULES IMPLICATIONS**

As the applicable Percentage Ratios in respect of the Land Acquisition are greater than 100% for the Company, the Land Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules.

The Land Acquisition is also regarded as a “Qualified Property Acquisition” under Rule 14.04(10C) of the Listing Rules as the Land Acquisition involves an acquisition of governmental land in the PRC from a PRC Governmental Body (as defined under the Listing Rules) through a listing-for-sale governed by the PRC law (as defined under Rule 19A.04 of the Listing Rules).

The Land Acquisition is undertaken on a sole basis by the Group in its ordinary and usual course of business. The Land Acquisition is subject to reporting, announcement and circular requirements but is exempt from Shareholders’ approval requirement pursuant to Rule 14.33A of the Listing Rules.

A circular containing, among other things, further details of the Land Acquisition is expected to be despatched to the Shareholders on or before 19 December 2019.

## **TRADING HALT AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 11:29 a.m. on 27 November 2019 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 November 2019.

## THE LAND ACQUISITION

The Board is pleased to announce that the Purchaser, an indirect non-wholly-owned subsidiary of the Company, successfully won the bid of land use rights of the Land offered for sale by the Vendor through the Listing-For-Sale Process held by the Maoming Trading Center on 27 November 2019 at the Land Grant Price and the Purchaser has received the relevant Notification. The Purchaser will enter into the Confirmation Letter within 5 PRC Working Days of receiving the Notification (i.e. on or before 4 December 2019 to confirm the grant of the land use rights of the Land by the Vendor to the Purchaser. Within 10 PRC Working Days from the signing of the Confirmation Letter, the Purchaser will subsequently sign the Land Use Rights Grant Contract with the Vendor as soon as practicable in accordance with the terms and conditions of the relevant listing-for-sale documents.

## SUMMARY OF THE DETAILS OF THE LAND ACQUISITION

**Date** : 27 November 2019  
  
(being the date the Purchaser was granted with the right to acquire the land use rights of the Land)

**Parties** : (i) the Purchaser; and  
  
(ii) the Maoming Municipal Natural Resources Bureau\* (茂名市自然資源局), being the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties of the Company and its connected persons.

### Land Grant Price

The Land Grant Price of RMB241,511,900 (equivalent to approximately HK\$268,346,556) was the bid price made by the Purchaser, which is the reserved bidding price set by the Maoming Municipal Natural Resources Bureau\* (茂名市自然資源局) in the Listing-for-Sale. The Purchaser made the bid after taking into account of (i) the current property market conditions of Maoming, the PRC; and (ii) the development potential of the Land.

An initial payment in the amount of RMB72,460,000 (equivalent to approximately HK\$80,511,111) (the “**Deposit**”), representing the deposit required in order for the Purchaser to qualify for tendering the bid of the Land through the Listing-For-Sale Process, has been duly paid by the Purchaser on 26 November 2019 before the bid was awarded. The Deposit will be applied towards settling part of the Land Grant Price and the remaining balance of the Land Grant Price shall be payable in full within 30 days from the execution of the Land Use Rights Grant Contract. The Land Grant Price was and shall be satisfied by the internal resources and external borrowing of the Group.

Having considered the above, the Directors consider that the Land Grant Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The Purchaser will enter into the Confirmation Letter within 5 working days of receiving the Notification (i.e. on or before 4 December 2019) to confirm the grant of the land use rights of the Land by the Vendor to the Purchaser. Within 10 business days from the signing of the Confirmation Letter, the Purchaser and the Vendor shall then execute the Land Use Rights Grant Contract.

### **Information about the Land**

The Land is situated at JIXIANG-23, Maoming Jixiang District\* (茂名市吉祥小區 JIXIANG-23) with a total site area of 29,274.16 sq.m.. The Land is for residential, retail and commercial uses. The land use rights of the Land have been granted for a term of 70 years for residential use and 40 years and retail and commercial use.

### **INFORMATION OF THE PURCHASER**

As at the date of this announcement, the Purchaser is a company established in the PRC with limited liability and an indirect non-wholly-owned subsidiary of the Company. The Company indirectly hold 65% interest in the Purchaser. The remaining 35% interest in the Purchaser was held by two individuals. The Purchaser is primarily engaged in, among other things, real estate development and sales, and property leasing.

## **INFORMATION OF THE VENDOR**

The Vendor is a PRC Governmental Body. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the ultimate controller of the Vendor is the PRC government.

## **REASONS FOR AND BENEFITS OF THE LAND ACQUISITION**

The Company is an investment holding company. The Group is principally engaged in (i) property development and investment; and (ii) trading of raw sugar. As disclosed in the Company's 2018 Annual Report and 2019 Interim Report, the Company is actively exploring new investment opportunities in the properties development business, particularly in third tier and satellite cities since these will be mostly benefitted by the continuous urbanisation in the PRC and less affected by real estate market policies. In particular, a new international airport, namely Yuexi International Airport\* (粵西國際機場), and further development of high-speed rail networks around the city will greatly benefit the city development of Maoming.

Through the Land Acquisition, the Group will acquire the land use right of the Land, which is situated in Maoming, the PRC. The management of the Company believe its existing experience and understanding of property market and property development business in Maoming will greatly enhance the operational efficiency of the new project development project. The strong local market reputation gained through existing property development project in Maoming will also strength the sales and our competitive edges of this new Maoming project.

The Board anticipates that the Land Acquisition will provide a positive investment opportunity for the Group to generating stable revenue, which will potentially bring a greater return for its Shareholders in the long run. Accordingly, the Company believes the Land Acquisition is in line with the Company's business strategy and will complement the Group's property development and investment business.

Based on the above reasons and benefits, the Directors are of the view that (i) the Land Acquisition is undertaken by the Company on a sole basis in the ordinary and usual course of business of the Group, (ii) the terms of the Land Acquisition are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.



“Company”	China Uptown Group Company Limited (中國上城集團有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 2330)
“Confirmation Letter”	the confirmation letter to be entered into between the Purchaser and Maoming Trading Center* (茂名市公共資源交易中心), as agent of the Vendor, on or before 4 December 2019 confirming the successful bid of the Land at the Land Grant Price by the Purchaser
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	persons or companies which are independent of and not connected with any of the directors, chief executive and substantial shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries and their respective associates (as defined under the Listing Rules), and the term “Independent Third Party” shall be construed accordingly
“Land”	a parcel of land situated at JIXIANG-23, Maoming Jixiang District* (茂名市吉祥小區) JIXIANG-23 with a total site area of approximately 29,274.16 sq.m
“Land Acquisition”	the acquisition of land use rights of the Land through the Listing-For-Sale Process and the signing of the Land Use Rights Grant Contract

“Land Grant Price”	RMB241,511,900 (equivalent to approximately HK\$268,346,556), being the price for the acquisition of land use rights of the Land
“Land Use Rights Grant Contract”	the state-owned construction land use rights grant contract* ( 國有建設用地使用權出讓合同 ) in respect of the Land to be entered into between the Vendor and the Purchaser within 10 business days of signing the Confirmation Letter
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Listing-For-Sale Process”	the online listing-for-sale process* ( 掛牌出讓 ) conducted by the Maoming Trading Center for the sale of the land use rights of the Land
“Maoming Trading Center”	Maoming City Public Resources Trading Center* ( 茂名市公共資源交易中心 )
“Notification”	the written notification ( 國有建設用地使用權出讓成交通知 ) received from Maoming Trading Center to inform the Purchaser of its successful bid of the Land
“Percentage Ratios”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan)
“PRC Governmental Body”	has the meaning ascribed to it in Rule 19A.04 of the Listing Rules
“PRC Law”	has the meaning ascribed to it in Rule 19A.04 of the Listing Rules
“PRC Working Day”	a day on which banks in the PRC are generally open for normal banking business



“Purchaser”	Maoming Shang Cheng Real Estate Company Limited* (茂名上誠置業有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	The Maoming Municipal Natural Resources Bureau* (茂名市自然資源局)
“%”	per cent.

By Order of the Board  
**China Uptown Group Company Limited**  
**Fu Lui**  
*Company Secretary*

Hong Kong, 28 November 2019

\* *All the English translation of certain Chinese names or words in this announcement is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*As at the date of this announcement, the Board comprises executive Directors, Mr. Liu Feng, Mr. Chen Xian, Mr. Lau Sai Chung and Mr. Liu Zhongxiang and independent non-executive directors, Mr. Poon Lai Yin Michael, Mr. Char Shik Ngor Stephen and Ms. Li Jiansheng.*

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

*For illustrative purpose only, RMB is converted into HK\$ at an exchange rate of HK\$1 = RMB0.9 in this announcement.*