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中國恒泰
CHINA APEX

China Apex Group Limited
中國恒泰集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2011)

**(1) ANNOUNCEMENT PURSUANT TO RULE 13.09 OF
THE LISTING RULES AND INSIDE INFORMATION PROVISIONS UNDER
PART XIVA OF THE SECURITIES AND FUTURES ORDINANCE; AND
(2) APPOINTMENT OF CHAIRMAN, EXECUTIVE DIRECTORS AND
CHAIRMAN OF NOMINATION COMMITTEE**

This announcement is made by China Apex Group 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 “**Listing Rules**”), 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 10 July 2019 in respect of the mandatory unconditional cash offer to the shareholders of the Company and the announcements of the Company dated 11 October 2021, 12 October 2021, 11 November 2021, 13 December 2021, 20 January 2022, 15 February 2022 and 24 February 2022 respectively pursuant to Rules 3.7 and 3.8 of the Takeovers Code (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements, unless specified otherwise.

As disclosed in the announcement of the Company dated 11 October 2021 in relation to the appointment of receivers (the “**Receivers**”) over certain shares of the Company (the “**Relevant Shares**”), the Relevant Shares were charged by each of Central Eagle Limited (“**Central Eagle**”), China Sun Corporation (“**China Sun**”) and Golden Diamond Inc. (“**Golden Diamond**”) in favour of the Creditor for the NW Facility in the maximum aggregate principal amount of HK\$546,852,259.20 granted by the Creditor to Central Eagle, China Sun and Golden Diamond.

SALE AND PURCHASE AGREEMENT

The Board was informed by Mr. Zhuang Weidong (“**Mr. Zhuang**”) (being the controlling shareholder of the Company) that he (as vendor), Mr. Wu Jingming (“**Mr. Wu**” or the “**Purchaser**”) (as purchaser) and the Creditor have entered into a sale and purchase agreement (the “**SP Agreement**”) on 9 March 2022, pursuant to which, 45,000 ordinary shares representing 90% of the total issued share capital of Central Eagle (the “**CE Sale Shares**”) will be transferred from Mr. Zhuang to Mr. Wu with the consent of the Creditor (the “**Transaction**”). Upon completion of the Transaction (the “**Completion**”), the entire issued share capital of Central Eagle will be owned by the Purchaser and Mr. Zhuang will cease to have any interest in Central Eagle or the Company. As at the date of this announcement, Central Eagle is a substantial shareholder of the Company and interested in 130,897,663 shares of the Company (the “**Shares**”), representing approximately 28.16% of the total issued share capital of the Company.

Pursuant to the SP Agreement, the consideration for the Transaction will be HK\$84,448,000 (the “**Consideration**”) which, according to the instructions of Mr. Zhuang, will be payable by Mr. Wu to the Creditor to settle part of the NW Facility. A sum of HK\$50,000,000 (the “**First Payment**”) will be paid by Mr. Wu to the Creditor within 3 business days after signing of the SP Agreement, which is non-refundable except for the failure to fulfil the condition precedent set out below. The remaining amount of HK\$34,448,000 will become an outstanding amount due from Mr. Wu to the Creditor which shall be repayable on the last day of the 12th month from the date of the SP Agreement. As security for the repayment of the remaining amount, a total of 129,897,663 Shares representing approximately 27.95% of the total issued share capital of the Company owned by Central Eagle (the “**Charged Shares**”) will be charged in favour of the Creditor and such Shares will be deposited in a brokerage account agreed by the Creditor (the “**Charged Account**”).

Completion is conditional upon the obtaining of the ruling from the Executive Director of the SFC that no mandatory general offer obligation under Rule 26.1 of the Takeovers Code will be triggered as a result of the Completion (the “**Ruling**”) within two weeks after signing of the SP Agreement (or such other date as may be agreed by the parties to the SP Agreement), failing which the Creditor shall return the First Payment to Mr. Wu, upon which, the SP Agreement will cease to have effect. The Board has been informed by Mr. Wu that he has applied to the SFC and the SFC has granted the Ruling.

Pursuant to the SP Agreement, conditions subsequent require (i) Mr. Zhuang to procure an agreement to be entered into within two months after the Completion (or such other date as may be agreed by the parties to the SP Agreement) amongst the parties to the NW Facility Agreement, pursuant to which, inter alia, the loan amount of the NW Facility will be reduced by an amount equal to the Consideration and Central Eagle will cease to be a party to the NW Facility Agreement and its rights and obligations thereunder will cease, and (ii) Mr. Wu to deliver to the Creditor the custodian agreement executed by the custodian of the Charged Account and Central Eagle in respect of the Charged Shares, failing which Mr. Wu shall have a right to require Mr. Zhuang to buy back the CE Sale Shares at an amount equal to the Consideration.

The Creditor undertook in the SP Agreement, among other things, that it will on or before Completion withdraw its appointment of the Receivers in respect of the Shares owned by Central Eagle and such Shares will be free from encumbrances on Completion, except that such Shares will be charged by Central Eagle to the Creditor as security for the payment of the remaining amount of HK\$34,448,000.

Based on the disclosure of interests forms filed by the Receivers on 22 February 2022, the number of the Relevant Shares was 345,946,600 Shares on 21 February 2022. Upon Completion, the Receivers are expected to remain interested in 216,048,937 Shares representing approximately 46.48% of the total issued share capital of the Company.

APPOINTMENT OF CHAIRMAN, EXECUTIVE DIRECTORS AND CHAIRMAN OF NOMINATION COMMITTEE

The Board further announces that Mr. Yip Siu Lun Dave (“**Mr. Yip**”) and Mr. Wu, Cody Zhuo-xuan (“**Mr. Cody Wu**”) will be appointed as executive Directors upon Completion. In addition, Mr. Yip will be appointed as chairman of the Board (the “**Chairman**”) and chairman of nomination committee of the Company. Further announcement will be made by the Company after Completion takes place.

The biographical information of Mr. Yip and Mr. Cody Wu is set out below:

Mr. Yip

Mr. Yip, aged 61, is experienced in the finance industry. Mr. Yip has been the chief financial officer of Maple International Group (China) Company Limited, a company incorporated in Hong Kong focusing on property development since 2014, in which he is responsible for the company’s project management and financing.

Pursuant to the director’s service contract to be entered into between Mr. Yip and the Company, the amount of director’s remuneration of Mr. Yip will be HKD3,000,000 per annum (including all other emoluments within the Group if applicable), which was determined with reference to his duties and responsibilities with the Company, the Company’s remuneration policy and the prevailing market level of remuneration of similar position, and subject to review at the discretion of the Board at the end of each financial year. The appointment of executive Director is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association of the Company.

Mr. Cody Wu

Mr. Cody Wu, aged 25, has been the administrative manager of Maple International Group (China) Company Limited since 2021 after completing his undergraduate studies. Mr. Cody Wu is the nephew of Mr. Wu, who will become a substantial shareholder of the Company upon the Completion and will be interested in, through Central Eagle, approximately 28.16% of the issued share capital of the Company.

Pursuant to the director's service contract to be entered into between Mr. Cody Wu and the Company, the amount of director's remuneration of Mr. Cody Wu will be HKD1,200,000 per annum (including all other emoluments within the Group if applicable), which was determined with reference to his duties and responsibilities with the Company, the Company's remuneration policy and the prevailing market level of remuneration of similar position, and subject to review at the discretion of the Board at the end of each financial year. The appointment is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association of the Company.

Save as disclosed above and as at the date of this announcement, Mr. Yip and Mr. Cody Wu confirmed that they did not in the past three years hold any directorship in any listed public company in Hong Kong or overseas, did not have other major appointments and professional qualifications, did not hold any other position with the Company and/or any of its subsidiaries, nor any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong and any relationship with any other Directors, senior management, any substantial or controlling shareholders (as defined in the Listing Rules) of the Company. To the best knowledge, information and belief of the Board, and as confirmed by Mr. Yip and Mr. Cody Wu, save as disclosed in this announcement, there is no information required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of the shareholders of the Company in relation to the appointments of Mr. Yip and Mr. Cody Wu as executive Directors of the Company.

The Board would like to take this opportunity to welcome Mr. Yip and Mr. Cody Wu in joining the Board.

WARNINGS: As the Transaction is subject to the Completion taking place, there is no assurance that the Transaction will materialise. The Transaction may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the securities of the Company. If they are in any doubt about their position, they should consult their professional adviser(s).

By Order of the Board
China Apex Group Limited
Mak Yung Pan Andrew
Executive Director

Hong Kong, 9 March 2022

As at the date of this announcement, the executive Directors are Mr. Qiu Chuanzhi and Mr. Mak Yung Pan Andrew; the non-executive Director is Ms. Lin Ping; and the independent non-executive Directors are Mr. Leung Ka Tin, Mr. Cheng Hong Kei and Mr. Liew Fui Kiang.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.