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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)

UPDATE ANNOUNCEMENT

This announcement is made by the board (the “**Board**”) of directors of Wuzhou International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules 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 Board would like to provide with an update on the various major litigations and arbitrations the Group is involved for the time being.

Litigation against the Company on termination of Corporate Bonds 2017

Certain claims were made against the Company and Wuxi Wuzhou Ornament City Co., Ltd (無錫五洲國際裝飾城有限公司) (“**Wuxi Wuzhou**”), an indirectly wholly-owned subsidiary of the Company, in relation to application to court for early termination of the non-public issue of on-shore corporate bonds issued by Wuxi Wuzhou in 2017 (the “**Corporate Bonds 2017**”) pursuant to the PRC Contract Law. Further details of the claims are set out as follows:-

Plaintiff	Jurisdiction	Amount involved in the litigation	Progress of litigation
中海信托股份有限公司 (Zhonghai Trust Co., Ltd)	Intermediate People’s Court of Jiangsu Province Wuxi City	Approximately RMB61.1 million	A freezing order was granted on 10 August 2018 for the amount involved. The date of trial is not yet confirmed.

Plaintiff	Jurisdiction	Amount involved in the litigation	Progress of litigation
上海匯勢通投資管理有限公司 (Shanghai Huishitong Investment Management Co., Ltd)	Intermediate People's Court of Jiangsu Province Wuxi City	Approximately RMB44.4 million	The date of trial is not yet confirmed.
上海匯勢通投資管理有限公司 (Shanghai Huishitong Investment Management Co., Ltd)	Intermediate People's Court of Jiangsu Province Wuxi City	Approximately RMB92.2 million	A freezing order was granted on 10 August 2018 for the amount involved. The date of trial is not yet confirmed.

Litigation against the Company on default repayment of Corporate Bonds 2016

Certain claim was made against the Group in relation to the default repayment of the non-public issue of on-shore corporate bonds issued by Wuxi Wuzhou in 2016, further details of which are set out below:

Plaintiff	Jurisdiction	Amount involved in the litigation	Progress of litigation
華溢之星資產管理(北京)有限公司 (Huayi Star Assets Management (Beijing) Co. Ltd.)	Higher People's Court of Beijing	Approximately RMB300 million	A freezing order was granted on 5 November 2018. The case is in the stage of exchange of evidence.

Litigations and arbitrations against the Group on default on various loan agreements and for joint and several liabilities under guarantee agreements

Certain claims were made against the Group on default on the respective loan agreement or for joint and several liabilities under the guarantee agreements to which the Group is party. Further details of the claims are set out as follows:-

Plaintiff	Jurisdiction	Amount involved in the litigation/arbitration	Progress of litigation/arbitration	Results of litigation/arbitration
中江國際 信托股份有限公司 (Zhong Jiang International Trust Co., Ltd)	The Higher People's Court of Jiangxi Province	Approximately RMB164.3 million	A freezing order was granted on 28 September 2018 for the amount involved. The trial was held on 5 December 2018.	Pending
吉林磐石農村商業銀行股 份有限公司 (Jilin Panshi Rural Commercial Bank Co., Ltd)	The People's Court of Jilin Province Panshi City	Approximately RMB2.8 million	The trial was held on 22 November 2018.	A civil settlement agreement was reached on 14 December 2018 that the Plaintiff was granted the repayment of the litigation amount on or before 30 January 2019. As at the date of this announcement, an interest was paid to the Plaintiff pursuant to the civil settlement agreement
嘉興盛世神州發利投資 合夥企業(有限合夥) (Jiaxing Shengshi Shenzhou Fali Investment Partnership (Limited Partnership))	The Higher People's Court of Henan Province	Approximately RMB122.1 million	Notice of composition of the bench was issued on 3 August 2018. The date of trial is not yet confirmed.	Pending
嘉興盛世神州發利投資 合夥企業(有限合夥) (Jiaxing Shengshi Shenzhou Fali Investment Partnership (Limited Partnership))	The Intermediate People's court of Henan Province Zhenzhou City	Approximately RMB30.8 million	A freezing order was granted on 12 July 2018 for the amount involved. The date of trial is not yet confirmed.	Pending
東方邦信置業 有限公司 (Orient Bangxin Financial Property Investment Co., Ltd.)	Higher People's Court of Jilin Province	Approximately RMB210 million	The statement of claim has been issued and the court has issued notice to the Group to address the claim. The date of trial is not yet confirmed.	Pending

Plaintiff	Jurisdiction	Amount involved in the litigation/arbitration	Progress of litigation/arbitration	Results of litigation/arbitration
華融西部開發投資股份有限公司 (China Huarong Western Development Co. Ltd.)	Higher People's Court of Ningxia Hui Autonomous Region	Approximately RMB150 million	The judgment was granted on 13 December 2018.	The Group is liable for the amount claimed.
Pingan Real Estate Capital Limited	China International Economic and Trade Arbitration Commission	Approximately USD50.4 million and RMB0.85 million	The date of arbitration hearing is not yet confirmed.	Pending

Other litigation

Certain claim was also made against the Group on other contractual dispute to which the Group is party. Further details of the claim are set out as follows:

Plaintiff	Jurisdiction	Amount involved in the litigation	Nature of the litigation and latest status
浙江成泰建築工程有限公司 (Zhejiang Chengtai Construction Company Limited)	The People's Court of Zhejiang Province Leqing City	Approximately RMB94.3 million	Dispute of construction work contract. The case was admitted into the People's Court of Zhejiang Province Leqing City on 1 November 2018, and its result is pending.

The Company will publish announcement(s) to update its shareholders of any major progress to the above matters, as and when appropriate.

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 Cecheng
Chairman

Hong Kong, 1 March 2019

As at the date of this announcement, the Board comprises six executive Directors, being Mr. Shu Cecheng (Chairman), Mr. Shu Cewan (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.