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## **INSIDE INFORMATION ANNOUNCEMENT IN RELATION TO A LITIGATION CASE**

This announcement is made by Century Ginwa Retail Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference are made to (i) the Company’s announcement dated 4 December 2014 and the circular dated 22 January 2015 relating to the entering into an agreement in relation to the acquisition of the development project in Xi’an, China; and (ii) the announcements made by the Company dated 20 July 2017, 20 September 2021 and 29 December 2021 in respect of the entering into the relevant supplemental agreements (together with the agreement in relation to the acquisition of the development project in Xi’an, China, collectively the “**Agreements**”) subsequently. Unless otherwise stated, capitalized terms used herein shall have the same meanings as defined in the aforesaid announcements and circular.

Pursuant to the Agreements, the Project Company (a subsidiary of the Vendor) shall provide to the Purchaser (a subsidiary of the Company) with property construction and development services and, as agreed, the delivery of the Property to the Purchaser shall be no later than 31 December 2022. Since the Project Company delayed the delivery, the Purchaser has continued negotiating with the Project Company and urging the Project Company by issuing written letters and legal letters, etc., demanding the Project Company to take measures to fulfill its obligations under the Agreements, carry out the online signing and filing procedures and deliver the Property as soon as possible to minimize the losses of both parties. As at the date of this announcement, the Project Company has not yet delivered the Property to the Purchaser.

To safeguard its legitimate interests, the Purchaser filed a civil complaint to the People’s Court of Yanta District of Xi’an City (“**Yanta District People’s Court**”), and received a summons for hearing recently. The Purchaser demands the Project Company to continue to perform the Agreements and undertake a default penalty in the amount of RMB368.808 million and the related litigation costs. Such default penalty was calculated up to 19 January 2024 and shall continue to be accumulated until the actual date of delivery.

The Board considers that the Project Company has the ability to continue to fulfill its obligations under the Agreements, and the delay in delivery of the Property mainly effects the Company’s operational schedule of the Property in “Xi’an Centre” Development Project. Accordingly, prior to the delivery of the Property by the Project Company, the Company will proactively adjust its operation focus and deploy its main resources on the “Century Ginwa Tiandi” (世紀金花新天地) shopping mall project and the performance improvement in other ongoing operating projects. The Board considers that the above litigation case did not and will not have a significant adverse impact on the operations of the ongoing operating projects and the financial position of the Group.

The Company will make its best endeavours to recover the relevant default penalty and make further announcement on any material development in relation to the above litigation case as and when appropriate.

**Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Century Ginwa Retail Holdings Limited**  
**Yao Jiangang**  
*Chairman*

Hong Kong, 23 May 2024

*As at the date of this announcement, the Board comprises three executive Directors, being Mr. Yao Jiangang, Mr. Qin Chuan and Ms. Wan Qing; two non-executive Directors, being Mr. Huang Zhihua and Mr. Chen Shuai, and three independent non-executive Directors, being Mr. Tsang Kwok Wai, Mr. Ruan Xiaofeng and Ms. Song Hong.*