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## CHINA TRUSTFUL GROUP LIMITED

### 中國之信集團有限公司

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 8265)**

#### ANNOUNCEMENT

This announcement is made by China Trustful Group Limited (the “**Company**”), together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### UPDATE ON THE BUSINESS OPERATIONS OF THE GROUP

The principal activity of the Company is investment holding. The principal activities of the Group are (i) the retail and wholesale of luxury brand silverware, silver utensils and luxury goods in the People’s Republic of China (the “**PRC**”) (the “**Silverware Business**”), (ii) research and development, manufacture and sale of rechargeable batteries, electric vehicles and related products and provision of related services (the “**Electric Vehicle Business**”) and (iii) provision of marketing and management services, sales and distribution of energy related products, including but not limited to, LNG and LPG products, and licensing of petroleum gas stations (the “**Energy Business**”).

In July 2020, the Company was informed orally by the subsidiary which is operating the Electric Vehicle Business in PRC that as revealed by a governmental website, a piece of land of that subsidiary was disposed pursuant an order of the Government in early 2020 (the “**Land Disposal**”).

In this circumstance, the Company was only aware this incident recently and in fact, no official documentation was received by the Company and the Company then did not have any knowledge as to the situation about the Land Disposal. Accordingly, the Company has taken appropriate action immediately to appoint PRC lawyer to investigate, gather evidence and take appropriate action, subject to the advice by the PRC lawyer, in order for the purpose to verify whether it was an inappropriate disposal and try the best to preserve the assets of the subsidiary and whether the Group could lodge a petition to the Court to appeal against the Land Disposal in order to retrieve back the Group’s asset. The asset value of that piece of land and building were approximately HK\$62,473,000 in accordance with the last audited account which was amounting 8.65% of the total asset value of the Company.

In addition, the Company was also informed by the subsidiary which is operating the Electric Vehicle Business in PRC that the bank accounts under the Electric Vehicle Business's subsidiaries have been restricted for any withdrawal which is in connection with the investigation by the Ministry of Public Security of the PRC regarding the resigned executive director, Mr. Zhang Genjiang, who holds 49% equity interest of 浙江通銀貴金屬經營有限公司 (for identification purpose, Zhejiang Tong Yin Precious Metal Operation Company Limited) and was arrested during the course of seizure of other businesses of Mr. Zhang Genjiang, details were set out in the Company's announcement date 19 February 2020.

In view of the bank accounts of such subsidiaries could not perform the withdrawal purpose, the Company did arrange other subsidiaries to carry on the Electric Vehicle Business. The restriction might affect the cashflow of such subsidiaries and the Company would discuss with the auditor and other professionals to ascertain any financial impact be incurred on the Electric Vehicle Business. The Company would also seek legal advice from the PRC lawyer in order to enable the Company to take any appropriate action including but not limited to uplifting the restriction. The Company are given to understand that the withdrawal restrictions of such bank accounts would last for and up to 8 February 2021 subject to further extension taken out by the Ministry of Public Security of the PRC.

Up to the date of this announcement, the PRC lawyer is still working in progress on the Land Disposal, the PRC lawyer could not provide any preliminary advice at this moment.

Save as otherwise disclosed in this announcement, the Company will make further announcement(s) to update Shareholders in respect to the Land Disposal, as appropriate.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in share on the Stock Exchange was halted with effect from 9: 00 a.m. on 18 May 2020 and will remain suspended until further notice.

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

By order of the Board  
**China Trustful Group Limited**  
**Wong Ching Fai, William**  
*Executive Director*

Hong Kong, 7 September 2020

*As at the date of this announcement, the executive Directors are Mr. Fei Jie (Chairman) and Mr. Wong Ching Fai, William; and the independent non-executive Directors are Mr. Sit Sai Hung, Billy, Mr. Law Yui Lun, and Mr. Man Wai Lun.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the website of GEM of The Stock Exchange of Hong Kong Limited at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the website of the Company at [www.china-trustful.com](http://www.china-trustful.com).*