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## **CHINA CITY CONSTRUCTION GROUP HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00711)**

### **ANNOUNCEMENT PURSUANT TO RULE 13.51B(2) OF THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED**

This announcement is made pursuant to Rule 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

China City Construction Group Holdings Limited (the “**Company**”) wishes to inform the shareholders and potential investors of the Company that on 26 May 2016, the Securities and Futures Commission issued an Executive Statement criticizing China New Way Investment Limited (“**China New Way**”, the controlling shareholder of the Company), its four ultimate company beneficial owners and its former sole director (collectively, the “**Parties**”) for committing breaches of Rule 31.3 of the Code on Takeovers and Mergers. The Parties include Mr. Xu Jianhua (“**Mr. Xu**”) and Mr. Zhang Xiaoliang (“**Mr. Zhang**”), being executive and non-executive directors of the Company respectively. The breaches were in relation to acquisitions by China New Way on 6 and 7 July 2015 of 2,930,000 shares of the Company (representing approximately 0.21% of the issued shares of the Company at the material time). The Parties explained that China New Way’s beneficial owners decided to make such acquisitions in light of the fall in the Company’s share price in early July 2015 in order to demonstrate their confidence in the Company, and the breaches were not intentional.

The board of directors of the Company (the “**Board**” or the “**Directors**”) has carefully considered the matter of the Parties and considers that Mr. Xu and Mr. Zhang are fully able to continue with their duties as executive and non-executive directors of the Company respectively. In view of the facts that (i) there is no evidence that the breaches involved any act of dishonesty, fraudulence or suggested any issue of integrity on the part of Mr. Xu and Mr. Zhang which would affect their suitability as directors of the Company, and (ii) the Board has taken measures, including the engagement of legal advisers in Hong Kong to render professional advice as to compliances with the statutory requirements as applicable to the Company and its subsidiaries from time to time, and implemented internal control policies to prevent the reoccurrence of breaches, the Directors are of the view that Mr. Xu and Mr. Zhang are competent in ensuring regulatory compliance and accordingly, Mr. Xu and Mr. Zhang are suitable to act as directors under Rules 3.08, 3.09 and 8.15 of the Listing Rules.

Here is the link to the above-mentioned Executive Statement:

[http://www.sfc.hk/web/EN/files/CF/pdf/Notice%20of%20Criticism/Chun%20Wo\\_Eng\\_25%20May%2016.pdf](http://www.sfc.hk/web/EN/files/CF/pdf/Notice%20of%20Criticism/Chun%20Wo_Eng_25%20May%2016.pdf)

By Order of the Board  
**CHINA CITY CONSTRUCTION  
GROUP HOLDINGS LIMITED**  
**Xu Jianhua    Pang Yat Ting, Dominic**  
*Co-Chairman                      Co-Chairman*

Hong Kong, 27 May 2016

*As at the date of this announcement, the executive directors of the Company are Mr. Xu Jianhua, Ir Dr. Pang Yat Bond, Derrick and Mr. Kwok Yuk Chiu, Clement, the non-executive directors of the Company are Mr. Pang Yat Ting, Dominic, Mr. Zhang Xiaoliang and Mr. Chow Wing Kin, Anthony SBS, JP, and the independent non-executive directors of the Company are Mr. Chan Stephen Yin Wai, Mr. Kwan Ringo Cheukkai and Mr. Wu William Wai Leung.*