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INSIDE INFORMATION

This announcement is made by Tai United Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

LITIGATION CLAIMS AGAINST SUBSIDIARIES OF THE COMPANY

Litigation claim against Jinzhou Jiachi Public Facilities Management Co., Ltd. (錦州嘉馳公共設施管理有限公司)

The Company noted that a litigation claim had been brought in the People’s Republic of China (the “**PRC**”) by an onshore bank (the “**Claimant Bank**”) against among others, an onshore subsidiary of the Company, Jinzhou Jiachi Public Facilities Management Co., Ltd. (錦州嘉馳公共設施管理有限公司) (“**Jinzhou Jiachi**”), which was alleged to have provided guarantee as one of the guarantors of a bank loan, the borrower of such bank loan being a third party company, Chongqing Baoting Public Facilities Management Co., Ltd. (重慶寶霆公共設施管理有限公司). An individual, Mr. Dai Yongge (“**Mr. Dai**”) and other companies in the PRC were also defendants in the said litigation claim. Based on information set out in the claim documents, the total amount claimed by the Claimant Bank against relevant defendants was approximately RMB1.7 billion.

Based on information in the claim, the guarantee contract alleged to be entered into by Jinzhou Jiachi was dated 30 July 2019 and at the prevailing time, Jinzhou Jiachi was not a subsidiary of the Company, but a company indirectly controlled by Mr. Dai. The Group acquired the entire interest in Jinzhou Jiachi from Mr. Dai through an acquisition that completed in April 2021 (the “**Jinzhou Acquisition**”). Based on the legal opinion obtained by the Group for purpose of the Jinzhou Acquisition and the enterprise credit report from the Credit Reference Center, The People’s Bank of China (中國人民銀行徵信中心), the existence of the said guarantee by Jinzhou Jiachi was not revealed as at the time of the Jinzhou Acquisition.

Litigation claim against Longain Park Limited (錦凌有限公司)

The Company also noted that a litigation claim had been brought in the PRC by the Claimant Bank against among others, a Hong Kong subsidiary of the Company, Longain Park Limited (錦凌有限公司) (“**Longain**”), which was alleged to have provided a pledge against the entire equity interest in Guangzhou Rongzhi Public Facilities Investment Co., Ltd. (廣州融智公共設施投資有限公司) (“**Guangzhou Rongzhi**”, also a subsidiary of the Company) as security for a bank loan taken out by Guangzhou Rongzhi (the “**Guangzhou Bank Loan**”). Mr. Dai and other companies in the PRC were also defendants in the said litigation claim. Based on information set out in the claim documents, the total amount claimed by the Claimant Bank against relevant defendants was approximately RMB1.6 billion.

Based on information in the claim, the pledge contract alleged to be entered into by Longain was dated 7 March 2019 and at the prevailing times of the pledge and the Guangzhou Bank Loan, Longain and Guangzhou Rongzhi were not subsidiaries of the Company, but companies indirectly controlled by Mr. Dai. The Group acquired the entire shareholding interest in Longain and its subsidiary, Guangzhou Rongzhi from Mr. Dai through an acquisition that completed in April 2021 (the “**Guangzhou Acquisition**”). As disclosed in the Company’s circular dated 26 March 2021, Mr. Dai provided an undertaking in favor of the purchaser in the Guangzhou Acquisition that, if the Guangzhou Bank Loan has not been successfully renewed subsequent to completion of the Guangzhou Acquisition, he will irrevocably fulfil his personal obligations under such undertaking to repay all amount due to the Claimant Bank.

PRC legal counsel has been engaged to advise on the said litigation claims. The Company, Jinzhou Jiachi and Longain reserve all rights and remedies they may have against Mr. Dai and other relevant parties. As at the date of this announcement, the Group is carrying on its business operations as usual in all material respects.

Shareholders of the Company and other investors are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board
Tai United Holdings Limited
Wang Hongfang
Chairman and Chief Executive Officer

Hong Kong, 13 February 2023

As at the date of this announcement, the board of directors of the Company consists of Mr. Wang Hongfang and Mr. Zheng Yuchun as executive directors; Mr. Xiao Yiqun as non-executive director; and Dr. Gao Bin, Ms. Liu Yan and Mr. Tang King Shing as independent non-executive directors.