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CHINA ALL NATION INTERNATIONAL HOLDINGS GROUP LIMITED

中國全民國際控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8170)

UPDATE ON SUSPENSION OF TRADING AND QUARTERLY UPDATE

This announcement is made by the board of directors (the “**Board**”) of China All Nation International Holdings Group Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) pursuant to Rules 17.10(2) and 17.26A of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 3 May 2019, 10 May 2019, 29 July 2019, 2 August 2019, 11 October 2019, 1 November 2019 and 30 January 2020 in relation to, among others, the suspension of trading in the shares of the Company on the Stock Exchange (collectively, the “**Announcements**”).

RESUMPTION CONDITION

As disclosed in the announcement dated 1 November 2019, the Stock Exchange requested the Company to demonstrate its re-compliance with Rule 17.26 of the GEM Listing Rules (the “**Resumption Condition**”) within a remedial period of twelve months. If the Company fails to do so by the expiry of the 12-month period (i.e. 31 October 2020), the Stock Exchange may proceed with cancellation of the Company’s listing under Rule 9.14A(2)(a) of the GEM Listing Rules.

LATEST DEVELOPMENT

The Board wishes to provide to the shareholders of the Company (the “**Shareholders**”) further update as follows:

Submission of resumption plan

The Board is pleased to announce that the Company submitted a resumption plan to the Stock Exchange on 3 April 2020. The resumption plan submitted to the Stock Exchange set forth the business development plan and other material information of the Company, including a profit and working capital forecast to demonstrate that it has a viable and sustainable business. On 23 April 2020, the Company received a letter from the Stock Exchange and the Stock Exchange requested the Company to provide additional information in relation to the sub-leasing business, the interior design and decoration business, the profit and working capital forecast and the resumption plan for further assessment. The Stock Exchange may raise further comments at a later stage if necessary. The Company is in the course of gathering the information and will, with the assistance of the legal advisers and financial advisers, make submission to the Stock Exchange with an aim to fulfill the Resumption Condition to the satisfaction of the Stock Exchange.

Publication of audited interim results

The Company engaged an independent auditor to audit its interim results for the six months ended 31 January 2020 to provide additional assurance for its accuracy and fairness and substantiate the significant growth in revenue and net profit during the period. For details, please refer to the interim results announcement and the interim report of the Company published on 13 March 2020 and 16 March 2020 respectively.

Continued improvement of business operation

The Group continues to be principally engaged in office sub-leasing and management business, interior design and decoration services as well as the provision of civil engineering consulting, contracting, project management. The Group currently has business operations in Hong Kong and the People’s Republic of China.

The Board has been adopting various measures to improve the business capabilities of the Group, including but not limited to (i) actively sourcing new contracts to maintain the growth momentum; (ii) implementing measures to improve profitability; (iii) implementing strategies to diversify overall business risks; (iv) implementing stringent cost control measures; and (v) implementing control measures to minimise the impact of COVID-19 outbreak.

Extra assurance for profit guarantee

In addition, as set out in the announcement of the Company dated 3 April 2020, the Company repaid HK\$15,000,000 to Mr. Lin Ye (“**Mr. Lin**”) without any interest in respect of the loan granted by Mr. Lin to the Company in the total amount of HK\$30,000,000 (the “**Loan**”) as (i) the original intended use of the Loan (i.e. acquisition in Hong Kong of an office premise as its principal place of business) did not materialise; (ii) the Board intended to apply the Loan for the development of the Group’s subleasing business and considered that it would be sufficient for the Group to apply only half of the Loan (i.e. HK\$15,000,000) for this purpose.

Despite the repayment of half of the principal amount of the Loan, to secure and provide extra assurance for the profit guarantee provided by Mr. Lin pursuant to the letter of guarantee dated 11 October 2019 (the “**Profit Guarantee**”), Mr. Lin has placed a cheque in the amount of HK\$15,000,000 with the Company’s solicitors in escrow such that if Mr. Lin is obliged under the Profit Guarantee to compensate the Company for any shortfall, the Company is entitled to set off the principal amount of the Loan against the compensation and/or apply the cheque for compensation.

Pursuant to the Profit Guarantee, Mr. Lin irrevocable warranted and guaranteed that (i) the audited consolidated earnings before interest, taxes, depreciation and amortisation (the “**EBITDA**”) of the Group for the financial year ending 31 July 2020 would be not less than HK\$13,800,000; and (ii) the audited consolidated EBITDA of the Group for the financial year ending 31 July 2021 would be not less than HK\$13,800,000.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 November 2019 and will remain suspended until the Company fulfills the Resumption Condition.

Please note that the above-mentioned development does not necessarily indicate that trading in the Company’s shares will be resumed. Accordingly, the Shareholders and potential investors of the Company should exercise caution when dealing in the Company’s shares.

By Order of the Board
China All Nation International Holdings Group Limited
Lin Ye
Chairman

Hong Kong, 29 April 2020

As at the date of this announcement, the executive directors of the Company are Mr. Lin Ye, Mr. Au Siu Chung, Mr. Long Jie, Mr. Yuan Shuang Shun and Ms. Xiao Yi Liao Ge; and the independent non-executive directors of the Company are Ms. Kwong Ka Ki, Mr. Yu Hua Chang and Ms. Guo Liying.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, 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 “Latest Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.allnationinternational.com.