



## AF Global Limited

Company Registration No. 197301118N  
(Incorporated in the Republic of Singapore)

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### COMPULSORY LIQUIDATION OF THE SUBSIDIARY, XUZHOU YINJIAN LUMCHANG REAL ESTATE DEVELOPMENT CO., LTD

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The Board of Directors (the “**Board**”) of AF Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcements dated 8 June 2020 and 12 November 2020 (the “**Announcements**”) regarding the Group’s proposed disposal of its aggregate 55 per cent. equity interest in Xuzhou Yinjian LumChang Real Estate Development Co., Ltd (“**XZYJLC**”) to the Purchasers, who are affiliates of its joint venture partner in XZYJLC.

On 5 June 2020, the Group entered into an equity transfer framework agreement for the sale of its equity interest in XZYJLC to the Purchasers. The Group also entered into the Mediation Agreement on 5 June 2020 for the withdrawal of disputes and litigation under court proceedings between the Group and the JV Partner regarding XZYJLC save for the dissolution of XZYJLC.

The above-mentioned sale did not take place as the Purchasers failed to complete the transaction pursuant to the said equity transfer framework agreement. In response to the above, the Group sought legal advice to determine the means to enforce the Group’s legal rights as per the said equity transfer framework agreement.

As advised by our legal counsel, the Group had explored various options, which include the application to the Jiangsu Xuzhou Intermediate People’s Court for the compulsory liquidation of XZYJLC. The Board wishes to update Shareholders that pursuant to the Group’s application for the compulsory liquidation of XZYJLC, the Court on 25 September 2023 had accepted our application and appointed a local legal firm to establish and take charge of the XZYJLC liquidation committee (to carry out the compulsory liquidation of XZYJLC). The Board will provide updates on the compulsory liquidation of XZYJLC as and when there are any material developments.

Shareholders are advised to exercise caution when dealing in the shares in the Company and to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests.

All capitalised terms in this announcement shall bear the meanings as defined in the Announcements.

#### BY ORDER OF THE BOARD

Lim Swee Ann  
*Company Secretary*

28 September 2023  
Singapore