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HANG PIN LIVING TECHNOLOGY COMPANY LIMITED

杭 品 生 活 科 技 股 份 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1682)

INSIDE INFORMATION

LITIGATION

This announcement is made by Hang Pin Living Technology Company Limited (the “**Company**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 7 January 2020, the Company received two separate first-instance trial judgments dated 26 December 2019, from the Intermediate People’s Court of Huzhou of Zhejiang Province (the “**First Instance Judgments**”). The First Instance Judgments were in relation to two loans taken by two individuals as the borrowers (the “**Borrowers**”), a financial institution as the lender (the “**Lender**”) dated 25 May 2017 and 5 June 2017 in relation to two loans in the principal sum of RMB12.0 million and RMB38.0 million, respectively, and were both guaranteed by several parties, including but not limited to the Company and Mr. Gao Zhiyin (“**Mr. Gao**”), a former executive director and chairman of the board of the Company. To be best knowledge of the Company, the guarantees were entered into by Mr. Gao without the proper authorisation of the Company. Pursuant to the First Instance Judgments, it is ruled that, among others, (i) the Borrowers shall repay principal loan amount of the loans in the sum of RMB12.0 million and RMB38.0 million, respectively, together with interests; and (ii) despite it is ruled that the guarantees involving the Company were invalid, the Company shall be liable for 50% of the liabilities under (i) that the Borrowers fail to repay to the Lender and the Company is entitled to compensation from the Borrowers.

The Company and the Lender had made appeals to the First Instance Judgments. On 2 September 2020, the Company received two separate second-instance trial judgments in respect of the appeals against First Instance Judgments (the “**Appeal Judgments**”) dated 24 August 2020 from the Higher People’s Court of Zhejiang Province. Pursuant to the Appeal Judgments, the relevant appeals are dismissed, the rulings under the relevant First Instance Judgments shall stay and the Appeal Judgments shall be the final judgments for the respective cases.

The Company is in the process of seeking legal advice in relation to the Appeal Judgments as at the date of this announcement and will make further announcement(s) to inform the Company’s shareholders and potential investors as to the further development of the litigations and its impact on the overall financial or operating conditions of the Group as and when appropriate in accordance with the requirements of the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

By Order of the Board
Hang Pin Living Technology Company Limited
Lam Kai Yeung
Chief Executive Officer & Executive Director

Hong Kong, 2 September 2020

As at the date of this announcement, the Board comprises Mr. Lam Kai Yeung and Mr. Situ Shilun as executive directors, Mr. Chau On Ta Yuen, Dr. Lam Lee G and Mr. Chan Kin as independent non-executive directors.