CR Construction Group Holdings Limited
華營建築集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1582)

INSIDE INFORMATION
WINDING UP OF A SUBSIDIARY OF THE COMPANY

This announcement is made by CR Construction Group Holdings Limited (the "**Company**") pursuant to Rule 13.09 and Rule 13.25 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that on 30 May 2025, CR Sea (Malaysia) Sdn Bhd ("**CR Sea**"), an indirect wholly owned subsidiary of the Company, has received a winding up petition dated 27 May 2025 (the "**Petition**") in respect of an outstanding sum of RM913,707.43 due and owing by CR Sea to its subcontractor (the "**Subcontractor**") for supply of the aluminium formwork (the "**Debt**").

On 28 July 2025, CR Sea and the Subcontractor has reached a settlement pursuant to which CR Sea shall pay to the Subcontractor a sum of RM850,000 in four instalments, which shall be payable on 22 September 2025, 1 October, 2025, 7 November 2025 and 7 November, 2025 respectively. The first and second instalment of which have been settled on 22 September 2025 and 1 October 2025 respectively.

On 14 October 2025, the High Court of Malaya at Kuala Lumpur (the "**Court**"), in the absence of CR Sea's legal representative, granted a winding up order against CR Sea pursuant to section 465(1)(e) and section 466(1)(a) of the Companies Act 2016 on the Petition (the "**Winding-up Order**") and appointed Dato' Dr. Shanmuganathan a/l Vellanthurai as liquidator (the "**Liquidator**").

CR Sea and the Subcontractor have, on 7 November 2025, entered into a final settlement agreement pursuant to which CR Sea is required to pay to the Subcontractor a sum of RM551,556.97 (the "**Settlement Sum**"), which has been fully settled by CR Sea on the same date. With the full and final settlement of the Settlement Sum, CR Sea has applied to the Court, among other things, to terminate or set aside the Winding-Up Order (the "**Termination**") and to seek an ad interim stay of the Winding-Up Order pending final determination (the "**Ad Interim Stay**") with the support of the Letter of No Objection issued by the Subcontractor. The application for the Ad Interim Stay is fixed for hearing on 17 December 2025 (the "**Application**").

During the hearing held on 17 December 2025, the Judge has raised concern as to whether he was the most appropriate judge to hear the Application and therefore directed that the Application be filed and heard before the Court which granted the Winding-up Order. No determination was made on the merits of the Application.

As advised by the legal adviser in Malaysia, the main legal effect of the Ad Interim Stay is as follows:

1. the legal consequence of the Ad Interim Stay granted is that the Winding-up Order becomes temporarily suspended pending determination of the Termination;

2. while the Winding-up Order is stayed pending Termination, its legal and commercial effects are suspended such that CR Sea is permitted to resume business operations, enter into contracts and make payments in the ordinary course;

3. in practical terms, the grant of the Ad Interim Stay results in the freezing of the Liquidator's power and authority;

4. the application for interim relief is not ancillary or speculative but forms an integral part of the strategy of the Termination, aimed at arresting further prejudice while the Court determines the substantive challenge to the Winding-Up Order; and

5. from a disclosure and risk assessment perspective, the grant of the Ad Interim Stay would materially alter the risk profile of CR Sea as it would stabilise operations, mitigate the immediate risk of contractual termination and enforcement actions and preserve enterprise value pending final resolution.

CR Sea will use its best endavour to seek the order for the Termination in the hearing to be held on 7 January 2026.

CAUSE OF NON-TIMELY DISCLOSURE OF THE PETITION

The Petition was received on 30 May 2025 by the project manager of CR Sea who was not aware of the importance and urgency of such document and did not forward it to the board of directors of CR Sea (the "**CR Sea Board**") immediately. The Petition was only brought to the attention of the CR Sea Board in mid June who has limited knowledge on the Listing Rules by that time and therefore did not report the same to the Board immediately. Instead, the CR Sea Board reached the settlement agreement with the Subcontractor on 28 July 2025 and has paid the first and second instalment on 22 September 2025 and 1 October 2025 respectively. Despite the receipt of payment of the first two instalments, the Subcontractor did not apply to the Court to withdraw the Petition and therefore the Court, in the absence of CR Sea's legal representative, granted the Winding-up Order against CR Sea on 14 October 2025.

The Board only became aware of the Petition in early December 2025 upon which it took immediate action to gather the documentary evidence and prepare and arrange for the publication of the announcement regarding the Winding-up Order.

REMEDIAL MEASURES

The Company regrets on the inadvertent incident regarding the delay in handling and disclosing the Petition and the Winding-up Order. As at the date of this announcement, the Company has implemented the enhanced documentation requirements and procedures which the Board will maintain daily communication with the administration and operation team overseas for the delivery of any important mails or phone calls.

To prevent future recurrence of similar incident, the Company has reiterated its expectations to the administrative and operational staff, emphasising the critical importance of timely delivery of all messages and documents to the Board in strict accordance with the internal control policy of the Company.

In addition, the Company will further enhance the following internal control policies:

(i) discussing with the management of CR Sea in relation to the latest business development of the Group on a monthly basis, particularly on any outstanding payment, material terms of the agreements entered or proposed to be entered into during the relevant period;

(ii) assigning the staff of CR Sea to physically inspect all incoming correspondence on a daily basis so as to ensure that any important correspondence is promptly identified and escalated to the Board without delay;

(iii) conducting an annual review of internal control systems of CR Sea, the scope of which will cover, among others, the operational and reporting procedures for handling incoming mails and phone calls, so as to assess the effectiveness of the adopted remedial measures;

(iv) arranging and providing listing rules-related training to the CR Sea Board, the administrative and operational staff of CR Sea;

(v) seeking external legal or other professional advice as to any action required to be taken or any legal and financial risk regarding any proposed transaction and legal proceedings in the future; and

(vi) enhancing the internal control system of the Company by improving the coordination and communication among various departments and subsidiaries of the Company responsible for handling incoming mails and phone calls.

With the above enhanced internal control policies, the Board is of the view that the Company can prevent the re-occurrence of similar incident and enhance the internal communication between the Board and the management of the subsidiaries of the Company and the reporting system among the Group.

Further announcement(s) will be made as and when appropriate in accordance with the Listing Rules.

By order of the Board
CR Construction Group Holdings Limited
Zhang Guanhua
Chairman

Hong Kong, 18 December 2025

As at the date of this announcement, the Company has five executive directors, namely Mr. Zhang Guanhua, Mr. Pan Shujie, Mr. Jiang Wen, Mr. Yang Haojiang, Mr. Chan Tak Yiu and four independent non-executive directors, namely The Honourable Tse Wai Chun Paul JP, Mr. Ho Man Yiu Ivan, Ms. Dong Yuk Lai Petrina and Mr. Lai Yuk Fai Stephen JP.