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China Uptown Group Company Limited

中國上城集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock code: 2330)

ANNOUNCEMENT
PROCEEDING BROUGHT IN THE PRC AGAINST
A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

This announcement is made by China Uptown Group Company Limited (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Reference is made to the announcement issued by the Company dated 29 July 2008.

On 14 June 2010, the Company received a civil judgment (the “**Judgment**”) issued by Intermediate People’s Court, Shenzhen, the People’s Republic of China (“**PRC**”) in respect of a claim of approximately HK\$24.5 million made by an independent third party (the “**Plaintiff**”) against Techwayson Industrial Limited* (“**Techwayson**”), a wholly-owned subsidiary of the Company, for a guarantee alleged to have been given by Techwayson in favour of the Plaintiff in November 2005. The other defendant (the “**First Defendant**”), an individual who is also an independent third party was alleged to have breached the terms of two investment agreements entered into between the Plaintiff and the First Defendant in October and November 2005 respectively which stipulated that the Plaintiff could get a fixed return of 15% above the investment amount.

It was stated in the Judgment that the First Defendant was required to pay approximately HK\$23 million, being the investment amount of HK\$20 million invested by the Plaintiff together with the fixed return of HK\$3 million which the Plaintiff should be entitled to under the investment agreements. For any shortfall amount that the First Defendant is unable to pay, Techwayson was required to bear 50% of such balance.

The Company will appeal against the Judgment and is seeking advice on PRC counsel in relation to the appeal. Further announcement will be made by the Company to update its shareholders on any further material development of the claim.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the board of
China Uptown Group Company Limited
Law Kim Fai
Company Secretary

Hong Kong, 15 June 2010

As at the date of this announcement, the executive Directors are Mr. Chen Xian, Mr. Lau Sai Chung, Mr. Xiong Jianrui and Mr. Tsim Sze Hon; the non-executive Director is Ms. Xia Dan and the independent non-executive Directors are Mr. Poon Lai Yin, Michael, Mr. Chong Yiu Chik and Mr. Choi Kai Ming, Raymond.

** English name is for identification purposes only*