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## **CNC HOLDINGS LIMITED**

**中國新華電視控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*  
**(stock code: 8356)**

### **(1) RESUMPTION GUIDANCE; (2) QUARTERLY UPDATE ON SUSPENSION OF TRADING; AND (3) DELAY IN PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022**

The announcement is made by CNC Holdings Limited (the “**Company**”), together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2)(a) and 17.26A of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 21 June 2022, 29 July 2022 and 15 August 2022 (the “**Announcements**”) in relation to, among other things, (i) the delay in publication of the 2021/2022 Audited Annual Results and the 2021/2022 Audit Report; (ii) the delay in publication of the 2022/2023 First Quarterly Results and the 2022/2023 First Quarterly Report; and (iii) the suspension of trading in the shares of the Company on the Stock Exchange. Unless the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the Announcements.

#### **RESUMPTION GUIDANCE**

On 10 November 2022, the Company received a letter from the Stock Exchange setting out the following guidance for the resumption of trading in the Shares (the “**Resumption Guidance**”):

- (i) publishing all outstanding financial results required under the GEM Listing Rules and address any audit modifications;

- (ii) demonstrating compliance with Rule 17.26 of the GEM Listing Rules; and
- (iii) informing the market of all material information for the Company's shareholders and investors to appraise the Company's position.

The Stock Exchange required the Company to remedy the issues causing its trading suspension and fully comply with the GEM Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume and, for this purpose, the Company has the primary responsibility to devise its action plan for resumption. The Stock Exchange further indicated that it may modify or supplement the Resumption Guidance if the Company's situation changes.

Under Rule 9.14A(1) of the GEM Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 12 months. In the case of the Company, the 12-month period expires on 14 August 2023. If the Company fails to remedy the issues causing its trading suspension, fulfil the Resumption Guidance and fully comply with the GEM Listing Rules to the Stock Exchange's satisfaction and resume trading in the Shares by 14 August 2023, the Listing Division will recommend the GEM Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 9.14 and 9.15 of the GEM Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

Pursuant to Rule 17.26A of the GEM Listing Rules, the Company is required to announce quarterly updates on its development including, among other relevant matters, its business operations, its resumption plan, the progress of implementing its resumption plan, and any material changes to the resumption plan. The first quarterly update will be announced on or before 14 November 2022 and further quarterly updates will be announced every 3 months from that date until the resumption or cancellation of listing (whichever is earlier).

The Company is taking appropriate steps to comply with the Resumption Guidance and the relevant GEM Listing Rules and will keep the public informed of the latest developments by making further announcement(s) as and when appropriate.

## **QUARTERLY UPDATE ON RESUMPTION PROGRESS**

The board (the "**Board**") of directors (the "**Directors**") of the Company would like to provide the shareholders and potential investors of the Company with the following updates on the latest resumption progress as at the date of this announcement.

### **Business updates**

The Group is principally engaged in the provision of civil engineering services for the public sector in Hong Kong and media advertising business in return for advertising and related revenue.

To the best knowledge of the Directors, as of the date of this announcement, the day-to-day operations of the Group are continuing as usual in all material aspects, and have not been

affected by the delay in publication of the outstanding financial results and the suspension of trading in the shares of the Company on the Stock Exchange.

### **Publication of Outstanding Financial Results**

As stated in the Announcements, the reasons for delay in publication of the 2021/22 Audited Annual Results are that, among others, (i) certain key audit confirmations with material balances have not been obtained and (ii) additional time is required to finalise certain information for the publication of the announcement for the 2021/22 Audited Annual Results, in particular, information in relation to the renewals of the promissory note, which was overdue on 30 June 2022, and the convertible notes, which was overdue on 9 December 2021 and was issued to China Xinhua News Network Co. Limited, a substantial shareholder of the Company to enable the auditors of the Company to complete the necessary audit procedures and form the audit opinion.

As at the date of this announcement, the Board would like to inform the shareholders and potential investors of the company that the promissory note has been renewed and the maturity date of the promissory note was extended to 30 June 2024. However, having considered the latest development and progress of negotiating process with China Xinhua News Network Co. Limited, the Company still requires additional time to finalise the renewal of the convertible notes which is subject to approval from China Xinhua News Network Co. Limited and other regulatory authorities in the mainland China. As a result, the auditors of the Company will require additional time to complete the necessary audit work so as to finalize the 2021/22 Audited Annual Results, and the publication of the 2021/22 Audited Annual Results and the 2021/22 Annual Report will hence be further delayed. As the publication of the 2021/22 Audited Annual Results and the despatch of the 2021/22 Annual Report are still pending, additional time is required to finalise certain information of the 2022/23 First Quarterly Results and 2022/23 First Quarterly Report, the publication of the 2022/23 First Quarterly Results and the 2022/23 First Quarterly Report will also be delayed.

Pursuant to Rule 18.03 of the GEM Listing Rules, the Company is required to send its members and other holders of its listed securities a copy of the annual report including its annual account not less than 21 days before the date of the Company's annual general meeting and not more than three months after the date upon which the financial year ended. The Board acknowledges that the delay in the publication of the 2021/22 Audited Annual Results and the 2021/22 Audit Report; and the despatch of the 2021/2022 Annual Report will constitute non-compliance with Rule 18.03 of the GEM Listing Rules.

The Company will keep its shareholders informed by way of further announcement(s) as and when appropriate on the date(s) of (i) the Board meeting to consider and approve the 2021/22 Audited Results Announcement and 2022/23 First Quarterly Results Announcement; and (ii) the despatch of the 2021/22 Annual Report and the 2022/23 First Quarterly Report.

## **Resumption Plan**

In order to satisfy the requirements under the Resumption Guidance, the Company will continue to work with its professional advisors to advance the resumption progress. The Company is working closely with the auditors of the Company to finalise and complete the audit procedures with a view to publishing the 2021/2022 Audited Annual Results and all outstanding financial results as soon as possible. The Company will make effort and continue to strive for satisfaction of the requirements of the Resumption Guidance. The Company will seek to resume trading of its Shares on the Stock Exchange as soon as possible. The Company will make further announcement(s) in relation to its business operations and the status of resumption as and when appropriate to keep the Company's shareholders and potential investors informed.

## **DELAY IN PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022**

Pursuant to Rules 18.53 and 18.78 of the GEM Listing Rules, the Company is required to publish its interim results announcement (the “**2022/23 Interim Results Announcement**”) and despatch its interim report (the “**2022/23 Interim Report**”), in respect of the first six month ended 30 September 2022, not later than 45 days after the end of the six months of each financial year, i.e. 14 November 2022. As the publication of the 2021/22 Audited Annual Results, the 2021/22 Annual Report, the 2022/23 First Quarterly Results Announcement and the 2022/23 First Quarterly Report are still pending, the Company is unable to publish the 2022/23 Interim Results Announcement and despatch the 2022/23 Interim Report to the Shareholders within the prescribed time in accordance with the GEM Listing Rules.

The Board acknowledges that the delay in the publication of the 2022/23 Interim Results and the 2022/23 Interim Report will constitute non-compliance with Rules 18.53 and 18.78 of the GEM Listing Rules.

The Company will publish further announcement(s) to inform the Shareholders and potential investors of any material developments in connection with the publication of the 2021/22 Audited Annual Results, the 2021/22 Annual Report, the 2022/23 First Quarterly Results Announcement, the 2022/23 First Quarterly Report, the 2022/23 Interim Results and the 2022/23 Interim Report as and when appropriate.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 15 August 2022, and will remain suspended until the Company fulfills the Resumption Guidance. The Company will make further announcement(s) to keep its shareholders and potential investors informed of any progress as and when appropriate and will announce quarterly updates on its development in accordance with Rule 17.26A of the GEM Listing Rules.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**CNC Holdings Limited**  
**Li Yong Sheng**  
*Vice Chairman and CEO*

Hong Kong, 11 November 2022

*As at the date of this announcement, the Directors are Dr. Jiang Yan<sup>1</sup> (Chairman), Dr. Li Yong Sheng<sup>1</sup> (Vice Chairman and Chief Executive Officer), Mr. Liu Da Yong<sup>1</sup>, Mr. Kan Kwok Cheung<sup>1</sup>, Ms. Tang Li<sup>2</sup>, Mr. Law Cheuk Hung<sup>2</sup>, Mr. Wu Guo Ming<sup>3</sup> and Mr. Wan Chi Keung, Aaron, BBS, JP<sup>3</sup>.*

<sup>1</sup> *Executive Director*

<sup>2</sup> *Non-executive Director*

<sup>3</sup> *Independent non-executive Director*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, 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 GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least seven days from the date of its posting and the Company's website at <http://www.cnctv.hk>.*