

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Bao Shen Holdings Limited
寶申控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8151)

**QUARTERLY UPDATE ON RESUMPTION PROGRESS
AND
CONTINUED SUSPENSION OF TRADING**

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

References are made to the announcements of the Company dated 10 March 2023, 15 March 2023, 31 March 2023, 15 May 2023, 31 May 2023, 15 June 2023, 30 June 2023, 19 July 2023, 31 August 2023, 29 September 2023 and 14 November 2023 (the “**Announcements**”) in relation to, among others, (a) the resumption guidance and (b) the additional resumption guidance for the resumption of trading in the Company’s shares (the “**Shares**”) issued to the Company by the Stock Exchange (the resumption guidance and the additional resumption guidance are collectively referred to as the “**Resumption Guidance**”) and the quarterly update on the status of resumption. Unless otherwise stated, capitalised terms used herein shall have the same meaning as ascribed to them in the Announcements.

RESUMPTION GUIDANCE

The Company received letters from the Stock Exchange dated 13 June 2023 and 10 November 2023 setting out the Resumption Guidance for the resumption of trading in the shares of the Company:

- (a) publish all outstanding financial results and address any audit modifications;
- (b) demonstrate the Company’s compliance with the Rule 17.26 of the GEM Listing Rules;

- (c) inform the market of all material information for the Company's shareholders and investors to appraise the Company's position; and
- (d) re-comply with Rules 5.14 and 5.24 of the GEM Listing Rules for the appointment of the company secretary and the authorised representative of the Company under Rule 5.24 of the GEM Listing Rules.

The Company must meet all Resumption Guidance, 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. Under the Rule 9.14(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 2 April 2024.

BUSINESS OPERATIONS

The Company is an investment holding company. The Group is principally engaged in plastic and steel component processor for white goods which entails manufacturing of stamping components and processing of spray-painting and powder-coating peripheral components.

As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects notwithstanding the suspension of trading in the shares of the Company.

UPDATE ON PROGRESS OF RESUMPTION

Outstanding Financial Results

The Company has been trying the best endeavour to address queries from the Auditors in respect of the Incident. In order to address the queries from the Auditors, the Company is required to provide legal opinions from a lawyer in the PRC to the Auditors on (a) the relevant borrowing contracts of Xiezhong Home Appliance's borrowings and the implication of the Incident on the borrowing contracts and the personal guarantees, and (b) the Incident and the assessment of the impact of the Incident on the Group, the Directors and the senior management of the Group. As at the date of this announcement, the due diligence processes for preparing the aforesaid legal opinions have not been completed and the Auditors' queries are still outstanding. The Board and the management of the Company will continue to work closely with the PRC lawyer and the Auditors with the view to complete the audit works for the 2022 Annual Results. The Company will publish further announcement(s) to inform the Shareholders of the Company and potential investors the progress of the preparation and publication of the 2022 Annual Results and the outstanding financial information as and when appropriate.

Appointment of Company Secretary and Authorised Representative

Since the resignation of Mr. Tsoi Ka Shing as the chief financial officer, the Company Secretary and the authorised representative of the Company under Rule 5.24 of the GEM Listing Rules with effect on 8 November 2023, the Company has been interviewing candidates to succeed the positions. However, as at the date of this announcement, the Company is still locating a suitable candidate to fill up the vacancies.

COMPOSITION OF THE BOARD

Reference is made to the announcement dated 3 January 2024. As disclosed in the announcement dated 3 January 2024, Mr. Chan Chun Chi has tendered his resignation as an independent non-executive Director and the chairman of the audit committee of the Company and the member of each of the remuneration committee and the nomination committee of the Company with effect from 31 December 2023.

Since the resignation of Mr. Chan Chun Chi, the Company has only two independent non-executive Directors, the number of which falls below the minimum number required under Rules 5.05(1) and 5.28 of the GEM Listing Rules. Despite the Company has only two independent non-executive Directors, the business operation of the Company is not adversely affected. As at the date of this announcement, the Company is still identifying suitable candidate to fill up the vacancy arising from the resignation of Mr. Chan Chun Chi.

The Company will publish further announcement(s) to inform the Shareholders of the Company when the appointments of the vacancies arising from the resignations have been made.

CONTINUAL SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on GEM of the Stock Exchange has been suspended with effect from 9:00 a.m. on 3 April 2023 and will continue to be suspended until further notice.

Shareholders and potential investors of the Company 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 with their professional adviser(s).

By order of the Board
Bao Shen Holdings Limited
Fan Zhijian
Chairman and Executive Director

Chuzhou City, the PRC, 8 January 2024

As at the date of this announcement, the executive Directors are Mr. Fan Zhijian and Mr. Zhou Zhen Dong; and the independent non-executive Directors are Mr. Ho Ka Chun and Mr. Liang Chi.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 Stock Exchange's website at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the Company's website at www.baoshen.com.hk.