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**BEAUTIFUL CHINA HOLDINGS COMPANY LIMITED**

**美麗中國控股有限公司**

*(incorporated in Bermuda with limited liability)*

(Stock code: 706)

**(1) QUARTERLY UPDATE ON PROGRESS OF RESUMPTION  
AND BUSINESS OPERATIONS;  
AND (2) RESIGNATION OF INDEPENDENT NON-EXECUTIVE  
DIRECTOR**

This announcement is made by Beautiful China Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 31 March 2020, 6 May 2020, 2 June 2020, 30 June 2020, 15 July 2020, 20 August 2020 and 1 September 2020 in relation to the delay in publication of 2019 Annual Results, delay in despatch of 2019 Annual Report, delay on 2020 Annual General Meeting, delay in publication of 2020 Interim Results and suspension of trading in shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 1 September 2020; (ii) the announcements of the Company dated 9 September 2020, 30 November 2020, 26 February 2021, 25 May 2021, 26 August 2021 and 30 November 2021 in relation to the Resumption Guidance (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements, unless the context requires otherwise.

# **QUARTERLY UPDATE ON PROGRESS OF RESUMPTION AND BUSINESS OPERATIONS**

## **Resumption Guidance**

As disclosed in the Announcements dated 9 September 2020, 30 November 2020, 26 February 2021, 25 May 2021, 26 August 2021 and 30 November 2021, the Company has been notified by the Stock Exchange of the following Resumption Guidance:

- (i) publish all outstanding financial results and address any audit modifications;
- (ii) inform the market of all material information for shareholders and investors to appraise the Company's position; and
- (iii) demonstrate compliance with Rule 13.24 of the Listing Rules.

Pursuant to Rule 13.24A of the Listing Rules, the Board wishes to update the shareholders and potential investors of the Company that, as at the date of this announcement, the latest development on the progress of the Company's efforts to fulfil the Resumption Guidance and the development of its principal businesses are as follows:

## **Update on business operations**

The Group has two major segments of operations, namely (i) tree plantation – cultivation and trading of tree seedlings; and (ii) waste pyrolysis – production and trading of pyrolysis oils and other materials. As disclosed in the announcement of the Company dated 30 November 2020, 26 February 2021, 25 May 2021, 26 August 2021 and 30 November 2021, the Group has continued its normal business operations in the PRC since the suspension of trading in the Company's shares.

## **Update on progress of resumption**

Pursuant to Rule 13.46(2), Rule 13.49(1), Rule 13.49(6) and Rule 13.48(1) of the Listing Rules, the Company is required to publish the 2019 Annual Results on or before 31 March 2020, despatch the 2019 Annual Report to the Shareholders on or before 30 April 2020, publish the 2020 Interim Results on or before 31 August 2020, despatch the 2020 Interim Report to the Shareholders on or before 30 September 2020, publish the 2020 Annual Results on or before 30 March 2021, despatch the 2020 Annual Report to the Shareholders on or before 30 April 2021, publish the 2021 interim result (the “**2021 Interim Results**”) on or before 31 August 2021 and despatch the 2021 interim report (the “**2021 Interim Report**”) to the Shareholders on or before 30 September 2021. As a result of the delay in publication of the 2019 Annual Results, (i) the despatch of 2019 Annual Report; (ii) the publication of the 2020 Interim Results; (iii) the despatch of the 2020 Interim Report; (iv) the publication of the 2020 Annual Results; (v) the despatch of the 2020 Annual Report; (vi) the publication of the 2021 Interim Results; and (vi) the despatch of the 2021 Interim Report were delayed. The Board acknowledges that the delay in publication of the 2019 Annual Results, the 2019 Annual Report, the 2020 Interim Results, the 2020 Interim Report, the 2020 Annual Results, the 2020 Annual Report, the 2021 Interim Results and the 2021 Interim Report will constitute non-compliance with Rules 13.46(2), 13.49(1), 13.49(6) and 13.48(1) of the Listing Rules. As at the date of this announcement, the audit fees and audit timetable are still subject to negotiation with the Auditor. The Company will publish further announcement(s) to inform Shareholders and potential investors of the Company of any material developments in connection with the 2019 Annual Results, the 2020 Interim Results, the 2020 Annual Results and the 2021 Interim Results as and when appropriate.

## **RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

The Board of the Company announces that with effect from 21 February 2022, Mr. Liu Liyan (“**Mr. Liu**”) has resigned as an independent non-executive Director (“**INED**”), the chairman of the remuneration committee of the Company, a member of the audit committee of the Company and a member of the nomination committee of the Company.

With effect from 1 March 2022, Mr. Chong Yiu Kan (“**Mr. Chong**”) has resigned as an INED, the member of the remuneration committee of the Company, the member of the audit committee of the Company and a member of the nomination committee of the Company.

## **NON-COMPLIANCE WITH REQUIREMENTS UNDER RULES 3.10(1), 3.10A, 3.21 AND 3.25 OF THE LISTING RULES**

Pursuant to Rules 3.10(1) and 3.10A of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), every board of directors of a listed issuer must include at least three INEDs who represent at least one-third of the board. Upon the resignation of Mr. Liu and Mr. Chong as INEDs, the Board has only one INED. As a result, the number of INED is less than three which is below the minimum requirement prescribed under Rules 3.10(1) and 3.10A of the Listing Rules.

Pursuant to Rule 3.21 of the Listing Rules, every listed issuer must establish an audit committee comprising non-executive directors only and the audit committee must comprise a minimum of three members. Upon the resignation of Mr. Liu and Mr. Chong, the number of members of the audit committee of the Company reduced to one which is below the minimum requirement prescribed under Rule 3.21 of the Listing Rules.

Pursuant to Rule 3.25 of the Listing Rules, an issuer must establish a remuneration committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors. Upon the resignation of Mr. Liu, there will be no chairman for the remuneration committee of the Company as required under Rule 3.25 of the Listing Rules.

The Company is exploring ways to comply with the aforementioned Listing Rules. Further announcement(s) will be made by the Company as and when appropriate.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Liu and Mr. Chong for their valuable contribution to the Company during his tenure of office.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the Company’s shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 September 2020 and will remain suspended until further notice.

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

For and on behalf of  
**Beautiful China Holdings Company Limited**  
**Sze Wai, Marco**  
*Chairman*

Hong Kong, 21 March 2022

*As at the date of this announcement, the Board comprises Mr. Sze Wai Marco, Mr. Zhou Wei Feng and Mr. Tan Shu Jiang as executive Directors and Mr. Xie Jun as independent non-executive Director.*