

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.



Xinming China Holdings Limited

新明中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2699)

VOLUNTARY ANNOUNCEMENT

UPDATE ON LITIGATION PROCEEDINGS IN RELATION TO THE BORROWINGS OF THE GROUP

This announcement is made by Xinming China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest litigation proceedings in relation to the borrowings of the Group.

Reference is made to the annual report of the Company dated 14 June 2022 (the “**Annual Report**”) and the interim report of the Company dated 28 September 2022. Unless otherwise defined, terms used herein shall bear the same meaning as defined in the Annual Report.

COURT-ORDERED AUCTION OF TAIZHOU PROPERTY

Pursuant to result of the civil mediation proceedings concluded by Shanghai Financial Court (上海金融法院) on 29 December 2021, (i) 新明集團控股有限公司 (Xinming Group Holding Limited*), (ii) Hangzhou Xinming, (iii) Wenshang Times, each being an indirect wholly-owned subsidiary of the Company, (iv) Mr. Chen Chengshou, the executive director of the Company, and (v) Chongqing Xinming, a former subsidiary of the Company, were required to repay a sum of approximately RMB442.1 million owed to Huarong Asset Management Co., Ltd. Shanghai Branch* (中國華融資產管理股份有限公司上海市分公司) (“**Huarong Asset**”) in respect of a property project of Chongqing Xinming (the “**Chongqing Borrowing**”). The Chongqing Borrowing was secured by the 578 completed properties held for sale located at Taizhou Property. On the application of Huarong Asset, an online auction is ordered to be held on 5 December 2022. The 578

completed properties held for sale located at Taizhou Property have been marked with an aggregate reserve price of approximately RMB99.54 million. If the aforesaid properties were to be sold, the auction proceeds of Taizhou Property are expected to be used for satisfaction of the Group's borrowing owed to Huarong Asset.

The auctions of Taizhou Property have not taken place as at the date of this announcement. Currently, the Group's other business operations are normal, and the above-mentioned court-ordered auctions have no significant impact on the business operations of the Group.

Shareholders and potential investors of the Company should note that the Taizhou Property may not be successfully sold if there is no bidder.

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

By Order of the Board
Xinming China Holdings Limited
Chen Chengshou
Chairman and Chief Executive Officer

Hong Kong, 2 December 2022

As at the date of this announcement, the executive directors of the Company are Mr. Chen Chengshou and Mr. Feng Cizhao; the non-executive directors of the Company are Ms. Gao Qiaoqin, Mr. Choi Clifford Wai Hong and Mr. Zhou Zhencun; and the independent non-executive directors of the Company are Mr. Khor Khie Liem Alex, Mr. Chiu Kung Chak and Mr. Lau Wai Leung, Alfred.

* *For identification purposes only*