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新明中国控股

XINMING CHINA

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)

MONTHLY UPDATE ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Xinming China Holdings Limited (the “**Company**”) pursuant to Rule 3.7 of the Code on Takeovers and Mergers (the “**Takeovers Code**”).

Reference is made to the announcements of the Company dated 24 November 2020 and 22 December 2020 relating to the appointment of receiver over certain shares of the Company, the announcements of the Company dated 15 May 2018 and 10 October 2019 in relation to the issue of convertible bonds to Chance Talent Management Limited (“**Chance Talent**”), and the announcements of the Company dated 22 December 2020, 21 January 2021, 22 February 2021, 22 March 2021, 21 April 2021, 25 May 2021, 22 June 2021, 22 July 2021, 23 August 2021, 21 September 2021, 20 October 2021, 22 November 2021, 21 December 2021, 26 January 2022, 25 February 2022, 25 March 2022, 28 April 2022, 24 May 2022, 28 June 2022, 28 July 2022, 31 August 2022, 29 September 2022, 31 October 2022, 30 November 2022, 30 December 2022, 27 January 2023, 27 February 2023 and 27 March 2023 made pursuant to Rule 3.7 of the Takeovers Code (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

THE RECEIVERSHIP

As disclosed in the announcement of the Company dated 24 November 2020, the Company was informed that Messrs. Lai Kar Yan and Ho Kwok Leung Glen, both of Deloitte Touche Tohmatsu, were appointed on 18 November 2020 by Chance Talent as joint and several receivers (the “**Receivers**”) over 940,000,000 Shares held by Xinming Company Limited (“**Xinxing**”).

Since the last monthly update announcement of the Company dated 27 March 2023, enquiries had been made by the Company to the Receivers, as to (i) whether the Receivers had any plan to sell the 940,000,000 Shares (the “**Charged Shares**”), representing 50.04% of the entire issued share capital of the Company, that were charged as security to Chance Talent for the convertible bonds (the “**Convertible Bonds**”) in the aggregate principal amount of not more than HK\$300,000,000 as mentioned in the announcement of the Company dated 15 May 2018; (ii) whether there were any discussion with any potential purchaser(s) about any sale of the Charged Shares; and (iii) whether the Receivers had received any offer to acquire the Charged Shares. On 26 April 2023, the Receivers advised the Company that they have been in discussions with potential purchasers regarding potential acquisition of the Charged Shares, and no legally binding agreement has been entered into as at the date of this announcement.

As at the date of this announcement, the principal amount of HK\$300,000,000 and interests under the Convertible Bonds remains unsettled.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at the date of this announcement is set out below:

	Number of Shares held	Approximately % of Shareholding (Note 1)
Xinxing <i>(Notes 2 & 3)</i>	776,467,800	41.33%
Ho Kwok Leung Glen and Lai Kar Yan (in the capacity as Receivers) <i>(Note 3)</i>	187,862,200	10.00%
Public Shareholders	<u>914,292,000</u>	<u>48.67%</u>
Total	<u><u>1,878,622,000</u></u>	<u><u>100%</u></u>

Notes:

1. The percentage is based on 1,878,622,000 ordinary Shares issued as at the date of this announcement.
2. Xinxing is held as to 100% by Mr. Chen Chengshou as at the date of this announcement. Receivers were appointed on 18 November 2020 over 940,000,000 ordinary Shares, representing approximately 50.04% of the total issued share capital of the Company, held by Xinxing in favour of Chance Talent.
3. On 11 February 2021, the Receivers, namely, Messrs. Lai Kar Yan and Ho Kwok Leung Glen, withdrew 187,862,200 Shares that have been charged to Chance Talent from CCASS and registered such 187,862,200 Shares in their names. As such, the Shares held by Xinxing that have been charged to Chance Talent decreased from 940,000,000 Shares to 752,137,800 Shares, representing approximately 40.04% of the total issued share capital of the Company, i.e. 752,137,800 out of 776,467,800 Shares held by Xinxing have been charged to Chance Talent.

MONTHLY UPDATE

In accordance with Rule 3.7 of the Takeovers Code, monthly announcement(s) will be made until announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

Warnings: There is no assurance that the Receivership will result in a change of controlling shareholder and it may or may not lead to general offer under Rule 26.1 of the Takeovers Code for the securities of the Company. Shareholders and public investors should exercise extreme caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

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

Hong Kong, 27 April 2023

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

If there is any discrepancy between the English version and the Chinese translation, the English version shall prevail.