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信基沙溪集团股份有限公司
XINJI SHAXI GROUP CO., LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3603)

**(1) INSIDE INFORMATION ON
UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS;
AND
(2) RESUMPTION OF TRADING**

This announcement is made by Xinji Shaxi Group Co., Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (“**SFO**”) and Rules 13.09 and 13.10 of the Rules Governing the Listing of Securities on the Stock Exchange.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has noted the decrease in the share price and the increase in trading volume of the shares of the Company on 10 April 2024.

The Company was informed by Mr. Mei Zuoting (“**Mr. Mei**”) and Mr. Zhang Weixin (“**Mr. Zhang**”), both being the executive Directors and controlling shareholders of the Company, that an aggregate of 212,346,000 ordinary shares (the “**Shares**”) of HK\$0.01 each of the Company, representing approximately 14.16% of the total issued share capital of the Company as at the date of this announcement, were forcibly sold in the open market by securities companies through margin securities accounts on 10 April 2024 (the “**Forced Sale**”).

Immediately after completion of the Forced Sale and as at the date of this announcement, (i) the aggregate shareholding interest of Mr. Mei, Mr. Zhang and Mr. Cheung Hon Chuen (“**Mr. Cheung**”), being parties acting in concert, in the Company has been reduced from approximately 52.19% to approximately 38.04% of the total issued share capital of the Company; and (ii) Mr. Mei, Mr. Zhang and Mr. Cheung remained as controlling shareholders of the Company. Mr. Cheung is an executive Director and chairman of the Company.

Having made such enquiry with respect to the Company as may be reasonable in the circumstances, the Board confirms that, save as disclosed above, it is not aware of any reasons for such price and volume movements or of any information which must be announced to avoid a false market in the Company’s securities or of any inside information that needs to be disclosed under Part XIVA of the SFO.

The Board also confirms that the Group's business operation remains normal, and that there is no material change to the business operation and financial position of the Group.

This announcement is made by the order of the Company. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

RESUMPTION OF TRADING

At the request of the Company, trading of the shares of the Company on the Stock Exchange was halted with effect from 3:19 p.m. on 10 April 2024 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading of the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 12 April 2024.

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

By order of the Board
Xinji Shaxi Group Co., Ltd
Cheung Hon Chuen
Chairman

Hong Kong, 11 April 2024

As at the date of this announcement, the Board comprises Mr. Cheung Hon Chuen as chairman and executive Director; Mr. Mei Zuoting and Mr. Zhang Weixin as executive Directors; Mr. Yu Xuecong, Mr. Lin Lie and Ms. Wang Yixue as non-executive Directors; and Dr. Zeng Zhaowu, Mr. Tan Michael Zhen Shan and Dr. Zheng Decheng as independent non-executive Directors.