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## XIN YUAN ENTERPRISES GROUP LIMITED

信源企業集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1748)**

### INSIDE INFORMATION LITIGATION

This announcement is made by Xin Yuan Enterprises Group Limited (the “**Company**”) in accordance with Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (“**SFO**”).

Reference is made to the announcements of the Company dated 17 December 2024, 31 December 2024, 6 January 2025 and 8 January 2025 in relation to (i) the change of chairman of the board (the “**Board**”) of directors (the “**Directors**”) and chairman of the nomination committee (the “**17 December 2024 Announcement**”); (ii) the resignation of independent non-executive Director and change in composition of Board committees (the “**31 December 2024 Announcement**”); (iii) the issue of new shares under the general mandate (the “**6 January 2025 Announcement**”); and (iv) the amendments to subscription agreement (the “**8 January 2025 Announcement**”) respectively.

### LITIGATION CLAIMS AGAINST CERTAIN DIRECTORS OF THE COMPANY

The Board hereby announces that Mr. Chen Ming, an executive Director as plaintiff (in such capacity, the “**Plaintiff**”), has issued a writ of summons under HCA No. 2553 of 2024 dated 24 December 2024 (the “**Writ**”) against the following Directors, former independent non-executive Director and the company secretary as defendants (collectively, the “**Defendants**” and each a “**Defendant**”):

1. Mr. Chen Jiagan, an executive Director and chairman of the Board as the 1st Defendant;
2. Mr. Xu Wenjun, an executive Director and chief executive officer as the 2nd Defendant;
3. Mr. Chen Yanbiao, an executive Director as the 3rd Defendant;
4. Mr. Wei Shushong, an independent non-executive Director as the 4th Defendant;

5. Mr. Suen Chi Wai, a former independent non-executive Director, who has resigned on 31 December 2024 as disclosed in the 31 December 2024 Announcement, as the 5th Defendant;
6. Mr. Xu Jie, an independent non-executive Director as the 6th Defendant; and
7. Mr. Chung Ming Fai, the company secretary of the Company, as the 7th Defendant.

According to the Writ, the resolutions (the “**Resolutions**”) purportedly passed by the Board meeting held on 17 December 2024 (the “**17 December 2024 Meeting**”) were allegedly in breach of the Company’s Third Amended and Restated Memorandum and Articles of Association (the “**Articles**”). The Resolutions resolved for the change in the composition of the Board, including, *inter alia* the removal of the Mr. Chen Ming as the chairman of the Board and the appointment of Mr. Chen Jiagan as the new chairman of the Board, details of which are further disclosed in the 17 December 2024 Announcement.

As alleged by the Writ, the Resolutions were in breach of the Articles and the Plaintiff seeks, *inter alia*, for (i) a declaration that the Resolutions are void or invalid/ineffective; (ii) a declaration that Mr. Chen Ming has been and still remains as the chairman of the Board; and (iii) an injunctive relief against the Defendants restraining them from implementing, enforcing and/or acting on the Resolutions and facilitating the publication of the Resolutions.

Thereafter, the Plaintiff issued an *inter partes* summons filed on 10 January 2025 (the “**Summons**”), seeking an order for, *inter alia*, (i) interim injunctive relief against the 1st to 6th Defendants, to be restrained from acting upon the Resolutions; (ii) interim injunctive relief against the 1st to 4th and the 6th Defendants to be restrained from procuring, assisting or in any way authorising the taking of any steps to effect the allotment of new shares, including but not limited to allotting new shares to TGG Ventures Limited (and/or its associates) pursuant to the resolutions of the Board passed on 6 January 2025 and as disclosed in the 6 January 2025 Announcement and supplemented in the 8 January 2025 Announcement; (iii) interim injunctive relief against the 1st to 4th and the 6th Defendants from taking any further steps to effect the change of the composition of the Board until the conclusion of the next extraordinary general meeting of the Company; (iv) leave be granted for Universal International Technology (Hong Kong) Limited, Well Grace Trading Co., Limited and HJ Technology Co., Limited to be added as plaintiffs; and (v) leave for the action against Mr. Chung Ming Fai to be discontinued.

The Summons will be heard before the Honourable Madam Justice Linda Chan at the High Court of Hong Kong on 14 February 2025 at 10:00 a.m.

The Directors as Defendants informed the Board that they would seek advice from legal advisers and defend the claims made by the Plaintiff.

The Company will make further announcement(s) to keep its shareholders and investors informed of any developments in relation to the Summons as appropriate or as required under the Listing Rules and the SFO.

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

By order of the Board  
**XIN YUAN ENTERPRISES GROUP LIMITED**  
**Chen Jiagan**  
*Chairman*

Hong Kong, 17 January 2025

*As at the date of this announcement, Mr. Chen Ming, Mr. Chen Jiagan, Mr. Xu Wenjun, Mr. Chen Yanbiao, Mr. Lin Shifeng and Ms. Liu Weipeng are the executive Directors, and Mr. Wei Shusong, Mr. Xu Jie and Mr. Chong Hon Wang are the independent non-executive Directors.*