

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.



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)

RESUMPTION GUIDANCE AND UPDATE ON THE RESUMPTION PROGRESS

This announcement is made by Xin Yuan Enterprises Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in accordance with Rule 13.09(2)(a) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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) (the “**SFO**”).

Reference is made to the announcement (the “**Announcement**”) of the Company dated 21 February 2025 in relation to, among others, certain allegations against the Company and the directors of the Company and the trading suspension in the shares of the Company (the “**Shares**”) with effect from 9:00 a.m. on 21 February 2025. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

RESUMPTION GUIDANCE

On 26 May 2025, the Company received a letter from the Stock Exchange setting out the following resumption guidance (the “**Resumption Guidance**”) for the resumption of trading in the Shares:

- (a) conduct an appropriate independent forensic investigation into each of the allegations (the “**Allegations**”) in the complaint letters purportedly issued in the name of two shareholders and the Announcement, assess their truth, accuracy, substance and impact on the Company’s business operations and financial position, announce the findings of the investigation and take appropriate remedial actions;
- (b) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

- (c) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the Group's management and/or any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence;
- (d) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules;
- (e) demonstrate the Company's compliance with Rule 13.24; and
- (f) inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position.

The Company must meet all Resumption Guidance, remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume. For this purpose, the Company has primary responsibility to devise its action plan for resumption. The Stock Exchange may modify or supplement the Resumption Guidance if the Company's situation changes.

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 20 August 2026. If the Company fails to remedy the issues causing its trading suspension, fulfil the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in the Shares by 20 August 2026, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period or to cancel the listing of the Company immediately, where appropriate.

The Company must also comply with the Listing Rules and all applicable laws and regulations in Hong Kong and its place of incorporation before resumption.

While trading is suspended, the Company is also reminded of its obligations under the Listing Rules including, but not limited to, the following:

- (a) keep the duration of any trading suspension to the shortest possible period as required under Rule 6.05 of the Listing Rules;
- (b) comply with its continuing obligations under the Listing Rules at all times, for example, those applying to notifiable and/or connected transactions under Chapters 14 and 14A of the Listing Rules and publication of periodic financial results and reports and, if they are not available, management accounts under Rules 13.46 to 13.49 of the Listing Rules;
- (c) announce inside information required to be disclosed under Part XIVA of the SFO; and

- (d) announce quarterly updates on its developments under Rule 13.24A of the Listing Rules, including, among other relevant matters:
- (i) its business operations;
 - (ii) its resumption plan with details of actions that it has taken and intends to take to remedy the issues causing its trading suspension, fulfil the Resumption Guidance and fully comply with the Listing Rules and resume trading. The resumption plan should be accompanied with a clear timeframe in respect of each stage of work under the plan with a view that the Resumption Guidance can be fulfilled and trading can resume as soon as practicable and, in any event before the 18-month period expires;
 - (iii) the progress of implementing its resumption plan; and
 - (iv) details of any material change to the resumption plan and, in the case of delay, the reasons and impact of such delay.

The Company must announce its first quarterly update on or before 29 August 2025 and every 3 months from that date until resumption or cancellation of listing (whichever is earlier).

UPDATE ON THE RESUMPTION PROGRESS

Forensic Investigation

As disclosed in the Announcement, a special investigation committee (the “**Special Committee**”) initially comprising all the independent non-executive directors, namely Mr. Wei Shusong (as chairman), Mr. Xu Jie and Dr. Chen Siru, to, among other things, investigate into the Allegations and to report to the Board on their findings and conclusions in respect of the Allegations.

In light of Resumption Guidance (a) where the Company is required to conduct an appropriate independent forensic investigation (the “**Forensic Investigation**”), the Company is in the process of identifying a suitable external independent accounting firm to conduct the Forensic Investigation.

Publication of outstanding financial results

The expected dates of publication of the audited consolidated financial statements of the Group for the year ended 31 December 2024 (the “**2024 Annual Results**”) will need to be further discussed with the Company’s auditors after the completion of the Forensic Investigation and will be announced in due course.

Regulatory concern about the integrity, competence and/or character of the Company’s management

Upon completion of the Forensic Investigation, the Board and the Special Committee will make an assessment on the integrity, competence and/or character of the Company’s management based on the findings of the Forensic Investigation.

Internal control review

The Company is in the process of identifying a suitable internal control consultant to carry out a thorough review of the Group's internal control systems.

Demonstration of the Company's compliance with Rule 13.24 of the Listing Rules

The Group is principally engaged in the provision of asphalt tanker chartering services under various types of charter agreements comprising: (i) time charters; and (ii) voyage charters and contracts of affreightment.

The business operations of the Group are continuing as usual in all material respect notwithstanding the trading in the Shares has been suspended since 21 February 2025.

Announce all material information

Since the suspension of trading in its Shares, the Company has been keeping its shareholders and potential investors informed of all material information to appraise the Company's position by way of announcements on the website of the Stock Exchange in accordance with the Listing Rules. The Company will continue to keep its shareholders and potential investors abreast of the material developments by making further announcement(s) as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 21 February 2025 and will remain suspended until the Company fulfils the Resumption Guidance. The Company will make further announcement(s) as appropriate or as required under the Listing Rules and the SFO.

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

By order of the Board
XIN YUAN ENTERPRISES GROUP LIMITED
Chen Jiagan
Chairman & Executive Director

Hong Kong, 29 May 2025

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