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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)

(1) QUARTERLY UPDATE ON RESUMPTION PROGRESS; AND (2) CONTINUED SUSPENSION OF TRADING

This announcement is made by Xin Yuan Enterprises Group Limited (the "**Company**") 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**").

References are made to the announcements (the "**Announcements**") of the Company dated 21 February 2025, 26 March 2025, 29 May 2025, 5 June 2025, 29 August 2025, 28 November 2025, 23 February 2026, 18 March 2026, 18 March 2026, 31 March 2026, 16 April 2026, 22 April 2026, 8 May 2026 and 15 May 2026 in relation to, among others, (i) certain allegations against the Company and the directors of the Company; (ii) the delay in the publication of the audited annual results of the Company and its subsidiaries for the year ended 31 December 2024; (iii) the resumption guidance and additional resumption guidance for the resumption of trading in the shares of the Company (collectively, the "**Resumption Guidance**"); (iv) the appointment of an independent forensic investigator and an internal control consultant; (v) the change in auditor; (vi) the change in independent forensic investigator; (vii) the appointment of independent non-executive directors; and (viii) the quarterly update on the resumption progress. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

RESUMPTION GUIDANCE

As disclosed in the announcements of the Company dated 29 May 2025 and 18 March 2026, the Company received the following Resumption Guidance from the Stock Exchange, requiring the Company to:

(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 Company's announcement dated 21 February 2025, 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 of the Listing Rules;

(f) inform the market of all material information for the Shareholders and other investors to appraise the Company's position; and

(g) re-comply with Rule 3.10A of the Listing Rules.

UPDATE ON THE RESUMPTION PROGRESS

The Company is taking active steps to fulfill the Resumption Guidance in order to resume the trading in the shares of the Company (the "**Shares**").

The current status of the Company's fulfilment of the Resumption Guidance as at the date of this announcement is summarized as follows:

Forensic Investigation

As disclosed in the Company's announcements dated 22 April 2026 and 15 May 2026, the original Forensic Investigator resigned as such with effect from 22 April 2026. The Special Committee then resolved to appoint GT Zhitong as the new Forensic Investigator with effect from 22 April 2026, for the purpose of continuing and/or supplementing the Forensic Investigation.

As of the date of this announcement, GT Zhitong in the process of conducting the Forensic Investigation. The Company will make further announcement(s) in respect of the progress and findings of the Forensic Investigation as and when appropriate.

Publication of outstanding financial results

As disclosed in the Company's announcements dated 31 March 2026 and 16 March 2026, RSM resigned as the auditor of the Company with effect from 31 March 2026. The Board, having considered the recommendation of the Audit Committee, proposed to appoint Prism Hong Kong as the new auditor of the Company. At the extraordinary general meeting of the Company held on 8 May 2026, the Shareholders resolved to appoint Prism Hong Kong as the auditor of the Company.

As at the date of this announcement, Prism Hong Kong is in the process of completing the FY2024 and FY2025 Audit and it is currently expected that the 2024 Annual Results, the FY2024 annual report, the 2025 Interim Results, the 2025 Interim Report, the 2025 Annual Results and the 2025 Annual Report will be published after the completion of the Forensic Investigation.

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

As disclosed in the Company's announcement dated 5 June 2025, the Company has appointed the Internal Control Consultant to perform the Internal Control Review.

As of the date of this announcement, the Internal Control Consultant is in the process of conducting the Internal Control Review. The Company will make further announcement(s) in respect of the progress and findings of the Internal Control Review as and when appropriate.

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 respects 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.

Re-comply with Rule 3.10A of the Listing Rules

Following the appointment of Mr. Yeung and Ms. Liu as independent non-executive Directors with effect from 1 April 2026, the Board comprises twelve Directors, of which seven are executive Directors and five are independent non-executive Directors. The Company therefore re-complies with the requirements set out in Rule 3.10A of the Listing Rules which requires the number of independent non-executive directors shall represent at least one-third of the board.

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, 20 May 2026

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