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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)

SUPPLEMENTAL ANNOUNCEMENT
FURTHER INFORMATION ABOUT THE INTERNAL CONTROL CONSULTANT

Reference is made to the announcements (the "**Announcements**") of Xin Yuan Enterprises Group Limited (the "**Company**") dated 5 June 2025 and 20 May 2026 in relation to, among other things, the appointment of an independent internal control consultant and the Company's quarterly update on the resumption progress. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined or used in the Announcements.

In addition to the information disclosed in the Announcements, the Board would like to provide the following supplementary information in relation to the appointment of the Internal Control Consultant.

FURTHER INFORMATION ABOUT THE INTERNAL CONTROL CONSULTANT

The Internal Control Consultant appointed by the Company to conduct the Internal Control Review is Acclime Consulting (Hong Kong) Limited ("**Acclime**").

In assessing the suitability of Acclime as the independent internal control consultant to conduct the Internal Control Review, the Board has taken into account, among others, the following:

(1) Acclime's independence

To the best of the Directors' knowledge, information and belief, having made reasonable enquiry, Acclime is independent of the Company and connected persons of the Company. Acclime does not have any business or other relationships with the Group that would reasonably be considered to impair its independence in performing the Internal Control Review.

(2) Acclime's qualification, experience and resources

Acclime is a professional services firm with experience in providing a wide range of risk advisory services, including internal control review services to companies listed on the Stock Exchange.

The partner-in-charge of the consulting services has over 20 years of professional experience in providing auditing, financial and risk advisory and business valuation services to clients in a variety of industries. The partner-in-charge of the risk advisory services has over 20 years of experience in internal control reviews of companies listed on the Stock Exchange.

Acclime has sufficient human resources and technical resources to carry out the Internal Control Review. The project team is staffed with suitably qualified and experienced personnel and comprises 4 key personnel with relevant expertise in accounting, auditing and internal control systems. Each of them has a track record of conducting internal control reviews of companies listed on the Stock Exchange. Acclime has established methodologies and frameworks for conducting internal control assessments in a systematic and efficient manner.

In light of the above, the Board considers that Acclime is independent and possesses the necessary qualification, experience and resources to act as the Internal Control Consultant for the Internal Control Review, and that its appointment is appropriate and in the interests of the Company and its shareholders as a whole.

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.

Shareholders and potential investors of the Company 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 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.