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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**", 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**").

References are made to (A) 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, 31 March 2026, 16 April 2026, 22 April 2026, 8 May 2026, 15 May 2026, 20 May 2026, 29 May 2026, 13 August 2026, 20 August 2026 and 13 September 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 Group 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; (viii) the quarterly update on the resumption progress; (ix) the annual results of the Group for the financial years ended 31 December 2024 and 2025; (x) the interim results of the Group for the six months ended 30 June 2025 and 30 June 2026; (xi) the key findings of the Forensic Investigation; (xii) the key findings of the Internal Control Review; and (xiii) adjusted financial information for the financial years ended 31 December 2019 and 2020; (B) the 2024 and 2025 annual reports published on 14 August 2026; and (C) the 2025 and 2026 interim reports published on 14 August 2026 and 26 August 2026, respectively. 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

Forensic Investigation

As disclosed in the Announcements, the Special Committee has resolved to appoint GT Zhitong as the new Forensic Investigator with effect from 22 April 2026. GT Zhitong issued the Investigation Report on 10 August 2026. For details of the key findings of the Forensic Investigation, please refer to the Company's announcement dated 13 August 2026.

Publication of outstanding financial results

The Company has published all outstanding financial results, details of which are set out below:

Financial results	**Publication date**
Announcement on the audited annual results for the year ended 31 December 2024	13 August 2026
Annual report for the year ended 31 December 2024	14 August 2026
Announcement on the interim results for the six months ended 30 June 2025	13 August 2026
Interim report for the six months ended 30 June 2025	14 August 2026
Announcement on the audited annual results for the year ended 31 December 2025 ("**FY2025**")	13 August 2026
Annual report for the year ended 31 December 2025	14 August 2026
Announcement on the interim results for the six months ended 30 June 2026 ("**1H2026**")	13 August 2026
Interim report for the six months ended 30 June 2026	26 August 2026

In addition, in light of the key findings of the Forensic Investigation, on 13 September 2026, the Company published an announcement setting out the adjustments to its financial information for the years ended 31 December 2019 and 2020 to reflect the financial impact of the omission of liabilities and related disclosures in respect of the RMB212 Million Loan (comprising the RMB12 Million Loan and the RMB200 Million Loan) and the corresponding impact of such omission was carried forward to the Company's financial statements for FY2020 until the transfer of the debt by the Company to Xinghua Wealth in May 2020.

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

The key personnel who were involved in the matters subject to the Forensic Investigation and who were being identified in the Investigation Report and the Internal Control Review Report as being involved in the overridden and/or circumvention of the Group's internal controls, namely, Mr. Wang, Mr. Xu and Mr. Lin, resigned as Director on 20 December 2021, 20 July 2026 and 20 July 2026, respectively.

Furthermore, in relation to the Allegations, neither the Investigation Report nor the Internal Control Review Report suggests that any of the existing Directors had committed any illegal act or any fraud.

Internal control review

As disclosed in the Announcements, the Company appointed Acclime as its Internal Control Consultant. Acclime issued its report on its key findings of the Internal Control Review on 13 August 2026. For details of the key findings of the Internal Control Review, please refer to the Company's announcement dated 13 August 2026.

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.

Based on the Company's consolidated financial statements for FY2025 and 1H2026, the Group's revenue and profit for FY2025 amounted to approximately US$56,897,000 and approximately US$8,512,000, respectively and its revenue and profit for 1H2026 amounted to approximately US$28,837,000 and US$5,968,000, respectively. As at 30 June 2026, the Group maintained total assets of approximately US$185,827,000.

The Board considers that the Company has always maintained sufficient level of operations and complied with Rule 13.24 of the Listing Rules as 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.

In light of the above, the Company considers that there was nothing which suggests there to be reasonable regulatory concern about the integrity, competence 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.

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.

As at the date of this announcement, the Board comprises nine Directors, of which five are executive Directors and four are independent non-executive Directors and the requirement under Rule 3.10A of the Listing Rules is being complied with.

Submission of Resumption Proposal

On 14 August 2026, the Company submitted a resumption proposal to the Stock Exchange to demonstrate that the Company has fulfilled the conditions set out in the Resumption Guidance for resumption of trading in the Shares.

The Company will update the shareholders of the Company and potential investors on, among others, such progress in due course.

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
Liu Dunyu
Executive Director

Hong Kong, 20 November 2026

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