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**中金投集团**

China Financial Services Holdings Ltd

**China Financial Services Holdings Limited**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 605)**

## **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO QUARTERLY UPDATE ON PROGRESS OF RESUMPTION**

This announcement is made by China Financial Services Holdings Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) pursuant to Rule 13.24A of the Rules of Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

References are made to the announcements of the Company dated 18 October 2020, 28, 29 and 31 March, 28 April, 8 and 28 June, 2 July, 28 September 2021 and 6 January 2022 (collectively, the “**Announcements**”). Unless otherwise specified, capitalized terms used in this announcement shall have the same meaning as defined in the Announcements.

### **EXPECTED TIMETABLE IN FULFILLING THE RESUMPTION GUIDANCE**

The Company would like to provide the following supplemental information to its shareholders and potential investors in relation to the Company’s resumption plan and expected timeline for fulfilling the Resumption Guidance issued by the Stock Exchange.

## **Resumption Guidance**

- (i) conduct an independent forensic investigation into the unauthorised guarantees and loans, disclose the findings and take appropriate remedial actions

- (ii) conduct an independent forensic investigation with a view to identifying, if any, other material financial assistance made by the Group without proper authorisation, announce the findings, and take appropriate remedial actions

## **Expected timeline**

As at the date of this announcement, the Independent Consultant's independent forensic investigation on the Unauthorized Guarantees and Unauthorized Loans is still ongoing. The Company will continue to provide all necessary assistance to the Independent Consultant to expedite the investigation and is aiming to conclude the investigation on or before 28 February 2022.

The Company will take appropriate remedial actions and announce the relevant findings as and when appropriate in accordance with the requirements under the Listing Rules upon completion of the investigation or any major stage(s) thereof.

As at the date of this announcement, the relevant independent forensic investigation is still ongoing. The Company will continue to provide all necessary assistance to the Independent Consultant to expedite the investigation and is aiming to conclude the investigation on or before 28 February 2022.

The Company will announce the relevant findings (if any) as and when appropriate in accordance with the requirements under the Listing Rules upon completion of the investigation or any major stage(s) thereof, and will, if necessary, take appropriate remedial actions.

## **Resumption Guidance**

(iii) demonstrate that there is no reasonable regulatory concern about management integrity, and/or integrity of any persons with substantial influence over the Company's management and operations, which will pose a risk to investors and damage market confidence

(iv) demonstrate that the directors of the Company meet a standard of competence commensurate with their position as directors of a listed issuer to fulfil duties of skill, care and diligence as required under Rules 3.08 and 3.09 of the Listing Rules.

## **Expected timeline**

It is currently expected that upon completion of the above investigation and the internal controls review by the Independent Consultant, the Company will be in a position to make submission(s) to the Stock Exchange to demonstrate that there is no reasonable regulatory concern about management integrity, and/or integrity of any persons with substantial influence over the Company's management and operations, which will pose a risk to investors and damage market confidence.

Assuming the investigation and internal controls review by the Independent Consultant will be completed by 28 February 2022, the Company will aim to make the relevant submission(s) to the Stock Exchange on or before 31 March 2022.

It is currently expected that upon completion of the above investigation and the internal controls review by the Independent Consultant, the Company will be in a position to make submission(s) to the Stock Exchange to demonstrate that the directors of the Company meet a standard of competence commensurate with their position as directors of a listed issuer to fulfil duties of skill, care and diligence as required under Rules 3.08 and 3.09 of the Listing Rules.

Assuming the investigation and internal controls review will be completed by 28 February 2022, the Company will aim to make the relevant submission(s) to the Stock Exchange on or before 31 March 2022.

## **Resumption Guidance**

- (v) demonstrate that the Company has in place adequate internal controls systems and procedures to comply with the Listing Rules

- (vi) publish all outstanding financial results required under the Listing Rules and address any audit modifications

## **Expected timeline**

As at the date of this announcement, the Independent Consultant's review on the Company's internal controls systems and procedures is still ongoing. The Company will adopt any recommendations by the Independent Consultant and improve its internal controls systems and procedures as far as practicable with an aim to strictly comply with the Listing Rules.

Assuming the internal controls review will be completed by 28 February 2022, the Company currently expects to commence the implementation of enhanced internal controls systems and procedures and demonstrates adequate internal controls systems and procedures to comply with the requirements under the Listing Rules on or before 31 March 2022.

Upon completion of the investigation by the Independent Consultant, the Company will continue to work closely with its auditors to prepare, finalize and publish the annual results and reports for each of the years ended 31 December 2020 and 31 December 2021 as soon as practicable.

Assuming that (a) the investigation by the Independent Consultant will be completed by 28 February 2022 and (b) no restatement of the financial statements of the Company for the previous financial years will be necessary pursuant to the applicable accounting standards, it is currently expected that the annual results and report for each of the years ended 31 December 2020 and 31 December 2021 will be published on or before 30 June 2022.

## **Resumption Guidance**

## **Expected timeline**

(vii) demonstrate compliance with Rule 13.24 of the Listing Rules

The Group is principally engaged in providing financing services in Hong Kong and mainland China. Since the suspension of trading of the shares in the Company on 29 March 2021 and up to the date of this announcement, the Group has continued its normal business operations.

(viii) announce all material information for the Company's shareholders and investors to appraise its position

Since the suspension of trading of the shares in the Company, the Company has kept its shareholders and potential investors informed of all material information in relation to the Unauthorized Guarantees and Unauthorized Loans, the Resumption Guidance and any relevant updates and progress by way of announcements.

The Company will continue to keep its shareholders and potential investors abreast of any relevant material development by making further announcement(s) as and when appropriate in accordance with the requirements under the Listing Rules.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares in the Company on the Stock Exchange has been halted with effect from 9:43 a.m. on 29 March 2021 pending the publication of the Company's results for the year ended 31 December 2020 and will remain suspended until the Company fulfills the Resumption Guidance as disclosed in the Company's announcement of 28 June 2021.

The Company will make further announcement(s) to keep its shareholders and potential investors informed of any progress as and when appropriate.

**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  
**China Financial Services Holdings Limited**  
**Chung Chin Keung**  
*Company Secretary*

Hong Kong, 12 January 2022

As at the date of this announcement, the directors of the Company are:

*Executive Director*

Dr Cheung Chai Hong

*Non-executive Directors*

Mr Chan Yuk Ming (*Chairman*)

Mr Fang Feiyue

Mr Wu Xinjiang

Mr Tao Chun

Mr Zhang Min

*Independent non-executive Directors*

Mr Chan Chun Keung

Mr Lee Ka Wai

Dr Zhang Xiao Jun

Madam Zhan Lili