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Xinming China Holdings Limited

新明中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2699)

- (1) CHANGE OF AUDITOR;**
- (2) FURTHER DELAY IN PUBLICATION OF 2022 AUDITED ANNUAL RESULTS AND DESPATCH OF 2022 ANNUAL REPORT;**
- (3) DELAY IN PUBLICATION OF 2023 UNAUDITED INTERIM RESULTS AND DESPATCH OF 2023 INTERIM REPORT;**
- (4) POSTPONEMENT OF BOARD MEETINGS;**
- AND**
- (5) CONTINUED SUSPENSION OF TRADING**

Reference is made to the announcements of Xinming China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 31 March 2023, 27 April 2023, 25 May 2023, 23 June 2023, 31 July 2023, 4 September 2023, 29 September 2023 and 31 October 2023 in relation to, among other things, publication of the audited annual results of the Group for the year ended 31 December 2022 (the “**2022 Audited Annual Results**”), the unaudited interim results of the Group for the six months ended 30 June 2023 (the “**2023 Unaudited Interim Results**”, together with the 2022 Audited Annual Results, the “**Outstanding Financial Results**”), the publication of the annual report for the year ended 31 December 2022 (“**2022 Annual Report**”) and the interim report for the six months ended 30 June 2023 (“**2023 Interim Report**”, together with 2022 Annual Report, the “**Outstanding Reports**”) and the date of the meetings of the board of directors of the Company (the “**Board**”) for considering and approving the Outstanding Financial Results.

Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the aforesaid announcements.

CHANGE OF AUDITOR

Resignation of auditor

Reference is made to Rule 13.51(4) of the Listing Rules. The Board wishes to announce that Crowe (HK) CPA Limited has tendered its resignation as the auditor of the Company with effect from 13 December 2023.

In its resignation letter, Crowe has set out matters leading to its resignation as the auditor of the Company, which Crowe considered should be brought to the attention of the Shareholders and the creditors of the Company. Crowe pointed out that they encountered difficulties in obtaining sufficient and appropriate evidence, such as information, explanations and supporting documents to audit the opening balances, and therefore Crowe was unable to perform their audit procedures in this respect. Accordingly, Crowe agreed with the management to tender their resignation as auditors of the Company.

The Board has confirmed that save as otherwise disclosed above, it is not aware of any other matters that need to be brought to the attention of the Shareholders in connection with Crowe's resignation and there is no disagreement between the Company and Crowe. The Board would like to take this opportunity to express its sincere gratitude to Crowe for its services rendered to the Company.

Appointment of auditor

The Board further announces that, with the recommendation from the audit committee of the Company (the "**Audit Committee**"), the Board has resolved to appoint Mazars CPA Limited ("**Mazars**") as the forthcoming auditor of the Company with effect from 13 December 2023 to fill the casual vacancy following the resignation of Crowe. Mazars shall hold office until the conclusion of the next annual general meeting of the Company pursuant to the articles of association of the Company.

The Audit Committee has considered a number of factors in assessing the appointment of Mazars as the new auditor, including but not limited to (i) the audit proposal of Mazars; (ii) its experience in providing audit work to the Company and its extensive experience, industry knowledge and technical competence in providing audit work to companies listed on the Stock Exchange; (iii) its independence from the Group and objectivity; (iv) its resources and capabilities; (v) the Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors published by the Accounting and Financial Reporting Council (the "**AFRC**"); and (vi) Guidance Notes on Change of Auditors published by the AFRC.

Based on the above, the Audit Committee has concluded that Mazars is eligible and suitable to act as the new auditor of the Company. The Board, with the recommendation of the Audit Committee, has resolved to appoint Mazars as the new auditor. The Board and the Audit Committee are of the view that the change in auditor would assist the Company in preparing and publishing the Outstanding Financial Results, and is in the interest of the Company and its Shareholders as a whole.

FURTHER DELAY IN PUBLICATION OF THE OUTSTANDING FINANCIAL RESULTS AND IN DESPATCH OF THE OUTSTANDING REPORTS

Reference is made to the announcement of the Company dated 31 October 2023. The Outstanding Financial Results were scheduled to be published on Friday, 29 December 2023. However, due to the change in auditor, the publication of the Outstanding Financial Results is expected to be further delayed. As the publication of the Outstanding Financial Results are still pending, the publication and the despatch of the 2022 Annual Report and 2023 Interim Report are also delayed accordingly. Further announcement(s) will be made by the Company in accordance with the Listing Rules and the requirement under the SFO as and when it is appropriate.

LISTING RULES IMPLICATION

Pursuant to Rule 13.46(2)(a) of the Listing Rules, the Company is required to send the 2022 Annual Report to its Shareholders not later than four months after the date upon which the financial period ended, that is, on or before 30 April 2023. Pursuant to Rule 13.46(2)(b) of the Listing Rules, the Company should lay the 2022 Audited Annual Results before its members at its annual general meeting within the period of 6 months after the end of the financial year or accounting reference period to which the annual financial statements relate.

Pursuant to Rules 13.49(6) and 13.48(1) of the Listing Rules, the Company is required to: (i) publish the 2023 Unaudited Interim Results on a date not later than two months after the end of that period of six months; and (ii) send the 2023 Interim Report to its Shareholders not later than three months after the end of that period of six months. The delay in publication of the Outstanding Financial Results and the Outstanding Reports by the Company shall constitute a non-compliance with Rule 13.46(2)(a), Rule 13.46(2)(b), Rule 13.49(6) and Rule 13.48(1) of the Listing Rules.

It is expected that the Outstanding Reports will be published shortly after the release of the Outstanding Financial Results.

POSTPONEMENT OF BOARD MEETING

In light of the delay in the publication of the Outstanding Financial Results, the board meeting(s) for approving the Outstanding Financial Results will also be further delayed. Further announcement(s) will be made by the Company in accordance with the Listing Rules and the requirement under the SFO as and when it is appropriate.

CONTINUED SUSPENSION OF TRADING

Reference is made to the announcement of the Company dated 23 June 2023, whereby the Company received a letter from the Stock Exchange setting out the guidance for the resumption of trading in the shares of the Company on the Stock Exchange. Among others, the Company shall publish all the Outstanding Financial Results required under the Listing Rules and address any audit modifications.

Trading in the shares of the Company on the Stock Exchange will remain suspended until the release of the Outstanding Financial Results. Shareholders and potential investors should exercise caution when dealing in shares of the Company.

By order of the Board
Xinming China Holdings Limited
Chen Chengshou
Chairman and Chief Executive Officer

Hong Kong, 13 December 2023

As at the date of this announcement, the executive directors are Mr. Chen Chengshou and Mr. Feng Cizhao; the non-executive directors are Ms. Gao Qiaoqin, Mr. Choi Clifford Wai Hong and Mr. Zhou Zhencun; and the independent non-executive directors are Mr. Khor Khie Liem Alex, Mr. Chiu Kung Chak and Mr. Lau Wai Leung, Alfred.

If there is any discrepancy between the English version and the Chinese translation, the English version shall prevail.