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YONGAN HOLDINGS

浙江永安融通控股股份有限公司  
**ZHEJIANG YONGAN RONGTONG HOLDINGS CO., LTD.\***  
*(a joint stock limited company incorporated in the People's Republic of China)*  
**(Stock code: 08211)**

Financial Adviser to the Company



**(i) QUARTERLY UPDATE ON STATUS OF RESUMPTION;  
(ii) DELAY IN DESPATCH OF CIRCULAR;  
AND  
(iii) CONTINUED SUSPENSION OF TRADING**

This announcement is made by Zhejiang Yongan Rongtong Holdings Co., Ltd. (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 19 February 2025, 3 March 2025, 19 March 2025, 2 April 2025 and 30 April 2025 respectively in relation to, among other things, the inside information regarding the Non-compliance Advance Payments, the suspension of duties of an executive Director, formation of compliance committee, the Resumption Guidance, the Additional Resumption Guidance, the major and connected transaction in relation to provision of financial assistance, update on resumption progress and continued suspension of trading (collectively, the “**Announcements**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

**(i) QUARTERLY UPDATE ON STATUS OF RESUMPTION**

Pursuant to the Resumption Guidance and Rule 17.26A of the GEM Listing Rules, the Company is required to announce quarterly update on its resumption progress. This announcement serves as the first quarterly update of the Company following the trading suspension of its shares on 21 February 2025.

The principal activities of the Group are (i) the manufacture and sale of woven fabrics; and (ii) the provision of woven fabrics subcontracting services. Notwithstanding the suspension of trading in the shares of the Company, up to the date of this announcement, the Group is carrying on its business operations as usual and will continue to closely monitor its financial position and business operations.

Below is the Resumption Guidance, the Additional Resumption Guidance of the Stock Exchange and the Company's resumption plan with details of actions that the Company has taken as at the date of this announcement or intends to take as well as the expected timeframe in fulfilling the Resumption Guidance and the Additional Resumption Guidance to resume trading in the Shares.

<b>Resumption Guidance</b>	<b>Update on resumption progress and the expected timeline</b>
(a) conduct an appropriate independent forensic investigation into the Incident, announce the findings, assess the impact on the Company's business operation and financial position, and take appropriate remedial actions	<p>The Company has engaged eWalker Consulting (HK) Limited as the independent forensic investigator to conduct the forensic investigation in relation to the Non-compliance Advance Payments (the "<b>Forensic Investigation</b>").</p> <p>As at the date of this announcement, the Forensic Investigation is in progress. The forensic investigator is currently undertaking necessary procedures, including but not limited to independent interviews, on-site testing, and review relevant documents and records of the Group. Based on the latest indicative timeline, the Company expects that a draft report setting out the preliminary findings of the Forensic Investigation will be available by June 2025.</p> <p>The Company will announce the key findings of the Forensic Investigation and assess their impact on the Group's business operations and financial position in due course. Further announcement(s) will be made by the Company as and when appropriate in accordance with the GEM Listing Rules.</p>

<b>Resumption Guidance</b>	<b>Update on resumption progress and the expected timeline</b>
(b) 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	<p>The Company will assess 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 based on the findings of the Forensic Investigation.</p> <p>Further announcement(s) will be made by the Company as and when appropriate in relation to the results of the Forensic Investigation.</p>
(c) 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 GEM Listing Rules	<p>As at the date of this announcement, the Company has shortlisted potential candidates for appointment as the independent internal control consultant. However, having regard to the fact that the Forensic Investigation is still ongoing and it remains uncertain whether, and to what extent, any internal control deficiencies will be identified as a result of the Forensic Investigation, the Company will further discuss with the independent internal control consultant about the scope of the internal control review at a later stage when the preliminary findings of the Forensic Investigation become available so as to ensure that the internal control review can more effectively address any internal control deficiencies identified.</p> <p>The Company will make further announcement(s) to update its Shareholders and potential investors on the appointment of the internal control consultant and the progress of the internal control review as and when appropriate.</p>
(d) demonstrate the Company's compliance with Rule 17.26 of the GEM Listing Rules	<p>Since the suspension of trading in the Company's shares on 21 February 2025 and up to the date of this announcement, the Group has continued its business operations as usual and there has been no change in the business operations of the Group.</p>

<b>Resumption Guidance</b>	<b>Update on resumption progress and the expected timeline</b>
(e) publish all outstanding financial results required under the GEM Listing Rules and address any audit modifications	<p>As disclosed in the announcement of the Company dated 28 March 2025, the unaudited annual results of the Group for the year ended 31 December 2024 have been published. However, the audited annual results of the Group for the year ended 31 December 2024 remain pending as the Group is in the process of resolving outstanding audit matters raised by the Group's auditor, SHINEWING (HK) CPA Limited. These outstanding audit matters include, among other things, the completion of the Forensic Investigation and the provision of sufficient audit evidence to support the recoverability of outstanding balances from Zhejiang Yongli.</p> <p>In light of the above, the audit of the 2024 Annual Results has not been completed as at the date of this announcement. Accordingly, there will be a further delay in the publication of the audited 2024 Annual Results and the despatch of the 2024 Annual Report. The Company currently expects that all outstanding financial results required under the GEM Listing Rules will be published on or before 30 September 2025, upon the completion of the Forensic Investigation and resolution of the outstanding audit matters.</p>
(f) inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position	<p>Since the suspension of trading in its shares on 21 February 2025, the Company has issued announcements to inform the public of all material developments, including but not limited to the publication of the unaudited 2024 annual results, the execution of the Loan Agreement to formalise the Non-compliance Advance Payments, and progress on the Forensic Investigation.</p> <p>The Company will continue to keep its Shareholders and potential investors informed of any material developments by making further announcement(s) as and when appropriate and in accordance with the GEM Listing Rules.</p>

## **(ii) DELAY IN DESPATCH OF CIRCULAR**

Reference is made to the announcement of the Company dated 30 April 2025 in relation to the Loan Agreement which constitutes a major and connected transaction under Chapters 19 and 20 of the GEM Listing Rules. As disclosed therein, a circular containing, among other things, (i) further details of the Loan Agreement and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the independent financial adviser; and (iv) a notice of EGM, was expected to be despatched to the Shareholders on or before 23 May 2025.

As the Company has been focusing its resources and management attention on progressing the Forensic Investigation, being one of the resumption guidance issued by the Stock Exchange, additional time is required for the preparation of the contents of the circular. Accordingly, it is expected that the despatch date of the circular will be delayed to a date falling on or before 16 June 2025.

The Company will make further announcement(s) as and when appropriate in compliance with the GEM Listing Rules.

## **(iii) CONTINUED SUSPENSION OF TRADING**

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 has met all resumption guidance, remedied the issues causing its trading suspension and fully complied with the GEM Listing Rules to the satisfaction of the Stock Exchange.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Zhejiang Yongan Rongtong Holdings Co., Ltd.\***  
**JIN LEI**  
*Executive Director*

Zhejiang, the PRC, 20 May 2025

*As at the date of this announcement, the executive Directors are Mr. Zhan Fahui (Chairman, duties suspended), Ms. Zhou Youqin (Chief Executive Officer) and Mr. Jin Lei; the non-executive Director is Mr. Xia Zhenbo (Deputy Chairman); and the independent non-executive Directors are Mr. Yu Weidong, Mr. Yuan Lingfeng and Mr. Zhang Jianyong.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading. This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and on the Company’s website at <http://www.zj-yongan.com>.*

*\* For identification purposes only*