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HANG YICK HOLDINGS COMPANY LIMITED

恒益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1894)

RESUMPTION GUIDANCE

This announcement is made by Hang Yick Holdings Company Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 22 April 2021, 5 May 2021, 7 June 2021, 18 June 2021 and 7 July 2021 (the “**Announcements**”) in relation to, among other matters, the investigation by the Authorities. Capitalised terms used herein shall have the same meanings as defined in the Announcements unless otherwise stated.

RESUMPTION GUIDANCE

On 19 July 2021, the Company has been notified by the Stock Exchange of the following guidance for resumption of trading in the shares of the Company (the “**Resumption Guidance**”):

- (a) conduct an appropriate independent investigation into the underlying incidents of the First Investigation and the Second Investigation, assess the impact on the Company’s business operation and financial position, announce the findings of the above investigations (including the Forensic Review) and take appropriate remedial actions;
- (b) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet obligations under the Listing Rules;
- (c) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (d) demonstrate compliance with Rule 13.24;

- (e) demonstrate that there is no reasonable regulatory concern about management integrity and/or the integrity of any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence;
- (f) demonstrate that the directors of the Company meet a standard of competence commensurate with their position as directors of a listed issuer and fulfill duties of skill, care and diligence as required under Rules 3.08 ad 3.09 of the Listing Rules; and
- (g) announce all material information for the Company's shareholders and other investors to appraise the Company's position.

The Stock Exchange required the Company to remedy the issue causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume and, for this purpose, the Company has the primary responsibility to devise its action plan for resumption. The Stock Exchange also indicated that it may modify or supplement the Resumption Guidance if the Company's situation changes.

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 21 October 2022. If the Company fails to remedy the issue causing its trading suspension, fulfill the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in its shares by 21 October 2022, the Listing Division of the Stock Exchange will recommend the Listing Committee of the Stock Exchange to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

While trading is suspended, the Company is also reminded of its obligations under the Listing Rules including, but not limited to, the following:

- (a) keep the duration of any trading suspension to the shortest possible period as required under Rule 6.05 of the Listing Rules;
- (b) comply with its continuing obligations under the Listing Rules at all times, for example, those applying to notifiable and/or connected transactions under Chapters 14 and 14A of the Listing Rules and financial results and reports under Rules 13.46 to 13.49 of the Listing Rules;
- (c) announce inside information required to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and

- (d) announce quarterly updates on its developments under Rule 13.24A of the Listing Rules including, among other relevant matters:
- its business operations;
 - its resumption plan with details of actions that it has taken and intends to take to fulfill the Resumption Guidance and resume trading. The resumption plan should be accompanied with a clear timeframe in respect of each stage of work under the plan with a view that the trading resumption guidance can be fulfilled and trading can be resumed as soon as practicable and, in any event before the 18-month period expires;
 - the progress of implementing its resumption plan and satisfying the Resumption Guidance; and
 - details of any material change to the resumption plan and, in the case of delay, the reasons and impact of such delay.

The Company must make its first quarterly update in this announcement and continue to keep its shareholders and potential investors informed of the progress by making further announcements every 3 months from that date until resumption or cancellation of listing (whichever is earlier).

QUARTERLY UPDATE

As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects. The Board will continue to assess and monitor the impact of the suspension of trading (if any) on the operations and financial performance of the Company.

As announced in the announcement of the Company dated 7 June 2021 the SIC has engaged RSM Corporate Advisory (Hong Kong) Limited (“RSM”) as independent forensic accountant to conduct an independent forensic accounting review in respect of the suspected and/or alleged misconduct of the Involved Directors. RSM has commenced its forensic accounting review and a report on the suspected and/or alleged misconduct of the Involved Directors is expected to be ready in two to three months.

The Company will engage an independent internal control consultant to review and demonstrate that the Company has in place adequate internal controls and procedures to meet obligations under the Listing Rules.

The Company has obtained copy of the documents seized by the Authorities and the Company is progressing with the preparation of the Company's audited financial results for the year ended 31 March 2021. Based on the current progress, the Company anticipates that the 2021 Annual Results will be published by the end of November 2021.

SUSPENSION OF TRADING OF THE SHARES

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 22 April 2021 and shall remain suspended until further notice.

In the meantime, shareholders and potential investors of the Company are advised to exercise caution when dealing in shares of the Company.

By order of the Board
Hang Yick Holdings Company Limited
Lee Ka Chun Benny
Interim Chairman

Hong Kong, 21 July 2021

As at the date of this announcement, the Board comprises Mr. Lee Pui Sun, Ms. Lau Lai Ching, Mr. Lee Ka Ho and Mr. Sin Kwok Chi Stephen as executive Directors, Mr. Lee Ka Chun Benny as non-executive Director, and Mr. Au Yeung Wai Key, Mr. Tse Ka Ching Justin and Mr. Cheung Chun Man Anthony as independent non-executive Directors. The duties of Mr. Lee Pui Sun, Ms. Lau Lai Ching and Mr. Lee Ka Ho are suspended.