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EVERGREEN INTERNATIONAL HOLDINGS LIMITED

長興國際（集團）控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 238)

(1) QUARTERLY UPDATE ON SUSPENSION OF TRADING; (2) UPDATE ON WINDING UP PETITION; AND (3) UPDATE ON STATUS OF THE BONDS

Reference is made to the announcements of the Company dated 17 February 2020, 30 March 2020, 31 March 2020, 14 May 2020, 29 June 2020, 3 September 2020, 27 September 2020, 29 September 2020, 21 October 2020, 23 November 2020, 26 November 2020, 7 December 2020, 29 December 2020 and 29 March 2021 (the “**Announcements**”), in relation to, among other things, (i) the investigation into the Loan Transaction, (ii) the Suspension, (iii) the delay in the publication of the 2019 Annual Results and delay in the despatch of the 2019 Annual Report, (iv) the delay in the publication of the 2020 Interim Results and delay in despatch of the 2020 Interim Report, (v) the Resumption Guidance and (iv) the winding up petitions against the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

UPDATE ON PROGRESS OF RESUMPTION

As disclosed in the announcements of the Company dated 14 May 2020 and 7 December 2020, the Stock Exchange has set out the Resumption Guidance for the Company.

Pursuant to Rule 13.24A of the Listing Rules, the Board wishes to update the Shareholders and potential investors of the Company on the progress of the Company’s fulfillment of the Resumption Guidance as at the date of this announcement which is summarised below.

Forensic investigation on the Loan Transaction

As at the date of this announcement, the Independent Review is ongoing and RSM has been obtaining and reviewing information provided by the Company (including its Guangzhou office). Once the Independent Review is completed, the Independent Committee will consider the findings and will determine the appropriate follow up actions to be taken and decide whether any further investigation(s) is required.

The Company will make further announcement(s) to update the Shareholders and potential investors on the progress and findings of the Independent Review.

Outstanding financial results

As disclosed in the announcement of the Company dated 27 September 2020, ZHONGHUI ANDA CPA Limited has been appointed as the new auditor of the Company (the “**Auditor**”) to fill the vacancy arising following the resignation of EY and to hold office until the conclusion of the next annual general meeting of the Company.

The Auditor has commenced its audit work in respect of the financial information of the Group for the year ended 31 December 2019 (the “**2019 Annual Results**”). The Board will work closely with the Auditor to ensure the Group’s audited consolidated financial statements are published as soon as possible.

Independent control review

Subject to the findings of the ongoing Independent Review on the internal procedures and policies of the Group, the Independent Committee will provide an update to the Company on the internal control aspects which the Company should look further into (if any) by the end of the Independent Review. Thereafter, the Company will consider whether it is appropriate to engage an internal control adviser, and if so, the scope and timing of work of the further internal control review.

Update on winding up petition under HCCW 312/2020

As disclosed in the announcement of the Company dated 29 March 2021, Bondholder G, being the original petitioner under HCCW 312/2020, has sold all the Bonds then held by Bondholder G in the aggregate principal amount of HK\$5,600,000 to a Potential Purchaser (“**Bondholder J**”). Therefore, when the winding up petition under HCCW 312/2020 came before the High Court on 31 March 2021, Bondholder G indicated to the court that she would not further proceed with the petition. However, at the same hearing, Bondholder A indicated its intention to apply to substitute as the petitioner under HCCW 312/2020.

On 9 April 2021, Bondholder A issued an application for substitution as the petitioner under HCCW 312/2020. The substitution application of Bondholder A is fixed to be heard on 2 September 2021, and the hearing of the petition under HCCW 312/2020 has been adjourned to the same day.

Meanwhile, the Company has received a Notice of Intention to Appear on Petition filed by Bondholder J (being the current holder of Bonds previously held by Bondholder G) with the High Court to oppose the petition under HCCW 312/2020.

As at the date of this announcement, the winding up petition under HCCW 312/2020 has not been withdrawn or dismissed.

Other conditions of the Resumption Guidance

With respect to the other conditions of the Resumption Guidance, the Company is taking appropriate steps to fulfil them and will keep the market informed of the latest developments of the matters under the Resumption Guidance, including but not limited to the progress of the Independent Review, as well as the publication of the 2019 Annual Results, the 2020 Interim Results and 2020 Annual Results, by making further announcement(s) as and when appropriate.

UPDATE ON STATUS OF THE BONDS

As at the date of this announcement, the total outstanding principal of the Bonds amounts to HK\$157.4 million.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, besides purchasing all the Bonds then held by Bondholder G (being the original petitioner under HCCW 312/2020), Bondholder J has also purchased Bonds in the principal amount of HK\$4 million from another previous Bondholder.

In the meantime, the Company continues to proactively negotiate, whether through CIS Securities as agent of the Bondholders, the respective solicitors of the Bondholders or directly with the Bondholders, regarding possible settlement arrangements in respect of the Default with a view to reaching an amicable solution.

As at the date of this announcement, the Company has received indicative support and/or counter proposals regarding the possible settlement arrangements from certain holders of Bonds, and it continues to proactively negotiate with the other Bondholders. The Company will make further announcement(s) to update the Shareholders and potential investors on the progress of settlement with the Bondholders.

BUSINESS UPDATE

The Group is principally engaged in the manufacture and trading of clothing and clothing accessories. The Directors wish to point out that notwithstanding the Suspension, the Group is carrying on its business operations as usual to the extent possible under the various restrictions brought about by the COVID-19 situation. The Board will continue to assess and monitor the impact of the COVID-19 situation and the Suspension on the operation and financial performance of the Group. The Company will take appropriate measures as necessary and make further announcements as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 30 March 2020 and will continue to be suspended until further notice.

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

On behalf of the Board
Evergreen International Holdings Limited
CHAN Yuk Ming
Chairman

Hong Kong, 29 June 2021

As at the date of this announcement, Mr. Chan Yuk Ming, Mr. Chen Yunan and Mr. Chen Minwen are the Executive Directors of the Company; Mr. Cheng King Hoi, Andrew, Mr. Poon Wai Kong and Mr. Leung Chi Hung are the Independent Non-executive Directors of the Company.