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天虹紡織集團有限公司
TEXHONG TEXTILE GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2678)

**ANNOUNCEMENT MADE PURSUANT TO RULE 13.51B(2)
OF THE LISTING RULES**

This announcement is made by Texhong Textile Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51B(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

On 27 May 2021, the board of directors (the “**Directors**”) of the Company (the “**Board**”) has been informed by Mr. Ting Leung Huel, Stephen (“**Mr. Ting**”), an independent non-executive Director, that he has been publicly criticised by the Listing Appeals Committee on 27 May 2021 in relation to his breach of Rule 3.08(f) of the Listing Rules under his Declaration and Undertaking given to the Stock Exchange in the form set out in Appendix 5B to the Listing Rules, for failing to ensure Dongyue Group Limited (a company listed on the Stock Exchange, stock code: 189) (“**Dongyue**”) had adequate internal control in place and failing to properly perform his monitoring duties in respect of the wealth management business of Dongyue (the “**Criticism**”). As a result, Mr. Ting is required to attend 20 hours of training on Listing Rules compliance and director’s duties.

Further details relating to the Criticism can be found in the statement of disciplinary action made by the Stock Exchange on the website of the Stock Exchange on 27 May 2021 (the “**Regulatory Announcement**”).

The Board has carefully assessed the Criticism against Mr. Ting. In view of that (i) there is no evidence that the Criticism involved any act of dishonesty, fraud or cast doubt on Mr. Ting’s integrity which would affect his suitability as a director of the Company and (ii) taking into account that, to the best knowledge, information and belief of the Board, the Criticism did not relate to the affairs of the Group and will not have any material impact on the business operations and financial position of the Group, the Board considers that Mr. Ting is still suitable to act as an independent non-executive Director.

Mr. Ting has confirmed to the Company that save as disclosed in the Regulatory Announcement and this announcement, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

By Order of the Board
Texhong Textile Group Limited
Hong Tianzhu
Chairman

Hong Kong, 28 May 2021

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Hong Tianzhu
Mr. Zhu Yongxiang
Mr. Tang Daoping
Mr. Hui Tsz Wai

Independent non-executive Directors:

Prof. Tao Xiaoming
Prof. Cheng Longdi
Mr. Ting Leung Huel, Stephen