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魏橋紡織股份有限公司

Weiqiao Textile Company Limited*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2698)

**DELAY IN PUBLICATION OF ANNUAL RESULTS AND
POSSIBLE DELAY IN DESPATCH OF ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016
AND
SUSPENSION OF TRADING**

This announcement is made by Weiqiao Textile Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

REASONS FOR DELAY IN PUBLICATION OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

Reference is made to the announcement of the Company dated 21 March 2017 in relation to possible delay in publication of annual results for the year ended 31 December 2016 (the “**2016 Annual Results**”) and possible delay in despatch of the annual report for the year ended 31 December 2016 (the “**2016 Annual Report**”).

Based on the normal and usual audit work arrangement of the Company, the auditor of the Company (the “**Auditor**”) commenced its on-site audit work for the year ended 31 December 2016 at the beginning of January 2017, and the Auditor completed its on-site audit work in February 2017. On 10 March 2017, the Auditor sent letters (the “**Letters**”) to the board of directors (the “**Board**”) and the audit committee of the Company, respectively, on certain matters which they believe may affect the accuracy of the Company’s financial statements (the “**Audit Findings**”). In the Letters, the Auditor is of the view that it is necessary for the Company to engage an independent third party to verify the Audit Findings and the Auditor has suspended its audit work on the consolidated financial statement for the year ended 31 December 2016. Based on the Company’s preliminary verification of the Audit

Findings, the Company confirms that the Audit Findings are not relevant to the aspects of the Group's revenue/profit. The Company will sort out and address the Audit Findings by extra audit procedure (if necessary) based on the advice from professional institutions as soon as possible.

Given the date of receipt of the Letters was close to 31 March 2017, which is the deadline of the Company's release of the 2016 Annual Results, the Company was unable to sort out and address the Audit Findings through verification under the assistance of relevant professional institutions or the Auditor according to the advice from the Auditor. Therefore, the Company is not able to publish the 2016 Annual Results on or before 31 March 2017.

In order to publish the 2016 Annual Results as soon as practicable, the Company is still in the process of communicating with the Auditor, and the Company will promptly engage the independent third party institution to conduct relevant procedures based on the advice from relevant professional institutions to appropriately sort out and address the Audit Findings and make appropriate disclosure in relevant announcement or the 2016 Annual Results (if necessary), so as to complete relevant audit work and publish the 2016 Annual Results. The Board would like to express deeply apologies to the investors and the shareholders of the Company (the "**Shareholders**") for any inconvenience caused by the delay in release of the 2016 Annual Results.

DELAY IN PUBLICATION OF 2016 ANNUAL RESULTS AND POSSIBLE DELAY IN DESPATCH OF 2016 ANNUAL REPORT

As a result of the foregoing, the Board wishes to inform the Shareholders and potential investors that the Company is unable to publish its 2016 Annual Results by 31 March 2017 and may be unable to despatch its 2016 Annual Report by 30 April 2017.

The Company will publish further announcement(s) in due course to inform its Shareholders of (i) the date of the meeting of the Board to consider and approve the 2016 Annual Results, (ii) the date of the release of the 2016 Annual Results, and (iii) the date of despatch of the 2016 Annual Report.

NON-PUBLICATION OF 2016 UNAUDITED MANAGEMENT ACCOUNTS

Rule 13.49(3) of the Listing Rules provides that where an issuer is unable to make an announcement of its preliminary results, it must announce results for the financial year based on financial results which have yet to be agreed with the auditor, so far as the information is available. After due and careful consideration, the Board believes that it would not be appropriate for the Company to publish the unaudited consolidated management accounts of the Group for the year ended 31 December 2016 (the "**2016 Unaudited Management Accounts**") at this stage as the Company may need further communication with the Auditor in respect of relevant issues, including the relevant follow-up work arrangements (if necessary). As such, the Board is of the view that release of the 2016 Annual Results after the completion of such work arrangements is more responsible for the Shareholders and could be in a better way to safeguard the interests of the Shareholders as a whole.

SUSPENSION OF TRADING

At the request of the Company, trading in the Company's shares on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on Wednesday, 22 March 2017 and will remain suspended until further notice.

The Company wishes to emphasize that benefited from the sustained recovery of the market of textile products in China, the production and operation of the Group remain normal and the business of the Company maintains healthy with steady growth. In addition, the Board also noticed that some media reports of certain companies in the area where the Company is located included adverse speculations or fictions of the Company. Therefore, the Board hereby confirms that the Company is not in any relation to the aforementioned relevant companies and the Company did not provide loan or guarantee to such companies.

By Order of the Board
Weiqiao Textile Company Limited*
Zhang Jinglei
Executive Director and Company Secretary

31 March 2017
Shandong, the PRC

As at the date of this announcement, the Board comprises nine Directors, namely Ms. Zhang Hongxia, Ms. Zhao Suwen, Ms. Zhang Yanhong and Mr. Zhang Jinglei as executive Directors, Mr. Zhang and Ms. Zhao Suhua as non-executive Directors and Mr. Wang Naixin, Mr. Chen Shuwen and Mr. George Chan Wing Yau as independent non-executive Directors.

* *For identification purpose only. The Company is registered in Hong Kong as a non-Hong Kong company under the English name "Weiqiao Textile Company Limited" and the Chinese name of the Company under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).*