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NETEL TECHNOLOGY (HOLDINGS) LIMITED

金利通科技(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8256)

DELAY IN PUBLICATION OF THE AUDITED ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT FOR THE YEAR ENDED 31 MAY 2020 AND CONTINUED SUSPENSION OF TRADING

Pursuant to Rules 18.03 and 18.49 of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), Netel Technology (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) must publish its audited annual results announcement (the “**2020 Annual Results Announcement**”) and despatch its annual report (the “**2020 Annual Report**”) for the year ended 31 May 2020 not later than 3 months after the date upon which the financial year ended, i.e. 31 August 2020.

The board of directors (the “**Board**”) of the Company would like to provide an update to its shareholders (the “**Shareholders**”) and potential investors of the Company in relation to the delay in the publication of the 2020 Annual Results Announcement and the 2020 Annual Report for the year ended 31 May 2020.

DELAY IN PUBLICATION OF THE 2020 AUDITED ANNUAL RESULTS ANNOUNCEMENT AND THE 2020 ANNUAL REPORT

As disclosed in the announcement of the Company dated 25 August 2020, the Company is required to submit a written submission to the Listing Appeals Committee (the “**Committee**”) on 24 August 2020, with a supplemental written submission to be submitted by 7 September 2020, for the purpose of the appeal hearing to be scheduled in due course. Should the Committee uphold the delisting decision, the listing of the shares of the Company (the “**Shares**”) will be cancelled.

In view of the importance and urgency of preparing the aforementioned submissions before the relevant deadlines, the Company has allocated substantial time and resources for the relevant preparation work in the past month, including but not limited to, collecting and compiling the relevant information to be included in the submissions and coordinating with the professional parties alongside. Besides, in order to rescue the Group from delisting which is believed to be in the best interests of the Shareholders, the Company also spared certain of its manpower to deal with the due diligence work on the acquisition of the target company in Shanghai. The above work is all crushed in a time period for the preparation of annual audit, and thereby inevitably divert some of the Company's resources and management's attention away from the preparation of audit work and lengthen the turnaround time in handling with the requests from the external auditor.

In addition, in light of the ongoing outbreak of the novel coronavirus (COVID-19), the continuing travel restrictions, lockdown arrangement and/or quarantine measures implemented by the government, most enterprises allow staff to work from home (including the staff of the Group), which have resulted in continued delays in, among others, the standard audit procedures such as the examination of original documents and obtaining information from the Group's counterparties.

As a result of the aforesaid diversion of resources and difficulties faced by the Company and the external auditor, as at the date of this announcement, the Company and the external auditor are in the course of assessing the audit work of the Group. Based on the latest assessment, it is estimated that the 2020 Annual Results Announcement and the 2020 Annual Report for the year ended 31 May 2020 will be published on or before 30 September 2020.

The Company will keep the Shareholders and potential investors of the Company informed of the latest progress of the annual audit and make further announcement(s) as and when necessary.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on GEM of the Stock Exchange has been suspended since 9:00 a.m. on 8 August 2018 and will remain suspended until further notice.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board of
Netel Technology (Holdings) Limited
James Ang
Chairman

Hong Kong, 4 September 2020

As at the date of this announcement, the Board comprises four executive Directors, Mr. James Ang, Mr. Wei Ren, Ms. Yau Pui Chi, Maria and Dr. Zhong Shi, and three independent non-executive Directors, Mr. Chiang Kin Kon, Mr. Wong Kwok Fai and Mr. Chau Siu Keung.

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 Company Announcement” page of the GEM website for at least 7 days from its date of publication and on the website of the Company at www.neteltech.com.hk.