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## **IntelliCentrics Global Holdings Ltd.**

**中智全球控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6819)**

### **CHANGE OF AUDITOR**

The Board announces that PwC resigned as auditor of the Group with effect from June 19, 2020 and KPMG US has been appointed as auditor of the Group with effect from June 26, 2020 to fill the casual vacancy following the resignation of PwC as auditor of the Group, and to hold office until the conclusion of the next annual general meeting of the Company.

This announcement is made by the board of directors (the “**Board**”) of IntelliCentrics Global Holdings Ltd. (the “**Company**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

### **BACKGROUND OF CHANGE OF AUDITOR**

As the Company announced in its previous announcement dated December 31, 2019 for change of financial year end, the Company’s audit committee and the Board found it more effective and efficient to migrate the main audit function from Asia to the United States. Therefore, the Company has been in the process of assessing the migration of the main audit function from Asia to the United States, and undertook in the announcement to comply with the Listing Rules including making required public announcements if and as the Company progresses with the migration. After considering all terms and conditions of the audit engagement, fees, and audit resources, the Board decided to engage KPMG LLP based in the United States (“**KPMG US**”) as its auditor and informed PricewaterhouseCoopers (“**PwC**”) of this decision on June 17, 2020. On June 19, 2020, PwC delivered a resignation letter dated June 19, 2020 to the Board and the audit committee of the Company (the “**Audit Committee**”).

## RESIGNATION OF AUDITOR

The Board hereby announces that PwC resigned as the auditor of the Company and its subsidiaries (the “**Group**”) with effect from June 19, 2020. As stated in PwC’s letter of resignation, the matters leading to the resignation which PwC consider should be brought to the attention of the Company’s members and creditors are summarized as follows:

As part of the review of the Company’s interim financial statements for the six months ended June 30, 2019 (the “**2019 Interim Results**”), PwC considered that they had requested but had not been provided with sufficient explanations and relevant supporting documentation and evidence relating to the Company’s investments in certain promissory notes (the “**Promissory Notes**”), including, but not limited to, the background, financial position and financial information of the issuers and the guarantors, if any, and the commercial substance and business rationale (with initial investment of US\$55 million disbursed directly from the IPO escrow bank account; gross interest of 4.5% per annum, with an upfront custodian fee of 1% and an annual custodian fee of 1%; amongst others) to invest in the Promissory Notes in March 2019 and May 2019 (the “**Outstanding Matters**”). At the time, because of the tight timeframe and scheduled date for posting of the interim results announcement of the Company, the Company proposed to terminate the engagement to perform a review of its interim financial statements for the six months ended June 30, 2019, and PwC agreed to such termination on August 28, 2019.

PwC has further considered the Company’s letter dated September 6, 2019 setting out the Company’s responses to the Outstanding Matters as well as certain information made available to PwC subsequent to the termination of the interim review engagement. Up to the date of the resignation letter, as PwC was of the opinion that they had not been provided with satisfactory explanations and evidence in connection with the Company’s investments in the Promissory Notes that would enable them to assess and perform the necessary audit procedures which they believed were necessary for the audit of the Company’s consolidated financial statements for the year ended December 31, 2019 or 18 months ended June 30, 2020, PwC therefore agreed to terminate the audit engagement.

## THE COMPANY’S RESPONSE

The Company believes that it has provided all information it has as requested by PwC. Specifically, the Company had provided certain information to PwC before and subsequent to the termination of PwC’s interim review and/or made public disclosure on the announcement of the Company dated May 19, 2020 in relation to the Promissory Notes (the “**Previous Announcement**”) as follows:

- (i) The commercial substance and business rationale to invest in the Promissory Notes has been disclosed in the Previous Announcement under the heading “Reasons and Benefits for Purchasing the Promissory Notes”.
- (ii) The background of the issuers has been disclosed in the Previous Announcement under the heading “Information about the Parties”.

(iii) The Company had provided to PwC valuation reports issued by an independent third party valuer on the fair market value of the Promissory Notes.

## **APPOINTMENT OF AUDITOR**

The Board, with the recommendation of the Audit Committee, has appointed KPMG US as auditor of the Group with effective from June 26, 2020 to fill the casual vacancy following the resignation of PwC.

KPMG US will conduct the audit for the Group for the 18 months ending June 30, 2020 and hold office until the conclusion of the next annual general meeting of the Company.

Save for the Outstanding Matters, the Board confirms that there had been no other matters in connection with PwC's resignation that need to be brought to the attention of the shareholders of the Company.

The Board extends its warm welcome to KPMG US on its appointment as auditor for the Group.

By Order of the Board  
**IntelliCentrics Global Holdings Ltd.**  
**LIN Tzung-Liang**  
*Chairman of the Board*

Hong Kong, June 26, 2020

*As at the date of this announcement, the executive Directors are Mr. LIN Tzung-Liang and Mr. Michael James SHEEHAN; the non-executive Directors are Mr. LIN Kuo-Chang and Mr. Leo HERMACINSKI; and the independent non-executive Directors are Mr. HSIEH Yu Tien, Ms. HUANG Yi-Fen and Mr. WONG Man Chung Francis.*