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承兴国际控股有限公司

Camsing International Holding Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2662)

QUARTERLY UPDATE ON STATUS OF RESUMPTION

This announcement is made by Camsing International Holding Limited (the “**Company**”, collectively with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

References are made to the announcements of the Company dated 5 July 2019, 9 July 2019, 16 July 2019, 18 July 2019, 19 July 2019, 29 July 2019, 15 August 2019, 4 September 2019, 30 September 2019 and 10 October 2019 (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

BUSINESS OPERATIONS OF THE GROUP

The business operations of the Group comprise two major segments, namely (i) sales and distribution of IP derived products and mobile devices; and (ii) IP licensing and comprehensive services. As disclosed in the announcement dated 18 July 2019, the Group had temporarily halted the business operations of two subsidiaries in the PRC whose bank accounts have been restricted for use (the “**Relevant Subsidiaries**”). The business operations of the Relevant Subsidiaries remain halted as at the date of this announcement.

Save for the business operations of the Relevant Subsidiaries, the Group continues to engage in its existing business. In addition, the Group is actively exploring options and measures to review and regularise the business and operations of the Group, including, amongst others, the uplifting of the bank restrictions, reorganisation of the Group's structure, as well as other streamlining measures to save costs and improve business efficiency. The Group is also liaising with potential business partners for business collaborations to maintain and facilitate the existing business of the Group. As at the date of this announcement, no formal agreement has been entered into in relation to the cooperation.

RESUMPTION GUIDANCE

As disclosed in the announcements of the Company dated 15 August 2019 and 10 October 2019, the Board received letters from the Stock Exchange setting out the following resumption guidance for the Company:

- (a) disclose details of the Custody of Ms. Lo by the Yangpu Branch of the Shanghai Public Security Bureau* (上海市公安局楊浦分局) (the “**Bureau**”) and its impact on the Company's financial and operation position;
- (b) demonstrate that there is no reasonable regulatory concern about management integrity, and/or any persons with substantial influence over the Company's management and operations which will pose a risk to investors and damage market confidence (“**Regulatory Concern**”);
- (c) demonstrate its compliance with Rule 13.24 of the Listing Rules to warrant the continued listing of the Shares;
- (d) clarify the Company's current shareholding structure;
- (e) announce all material information for the Shareholders and investors to appraise its position; and
- (f) publish all outstanding financial results and address any audit modifications.

UPDATE ON RESUMPTION PROGRESS

The Company is taking active steps to address and comply with the Resumption Guidance as disclosed above. The actions taken, and being taken, by the Company since the trading halt are summarised as follows:

(i) Formation of Special Committee and Appointment of Professional Adviser

On 15 August 2019, the Company has established the Special Committee, initially comprising all the independent non-executive Directors for the purpose of, among other things, recommending actions to be taken by the Group to comply with the Resumption Guidance.

On 4 September 2019, the Special Committee has appointed one of the big four accounting firms as Professional Advisor mainly to assist it in formulating and implementing a resumption plan to address the Resumption Guidance.

(ii) Shareholding Structure of the Company

To resolve the ambiguity of the Company's shareholding structure in compliance with the Resumption Guidance above, the Company has engaged an independent agent to assist in making an enquiry into its shareholding structure pursuant to section 329 of the SFO. The independent agent has completed the enquiry and issued a Report to the Company. The shareholding structure of the Company as at 19 July 2019 had been disclosed in the announcement dated 4 September 2019.

(iii) Details of the Custody and Suspension of Duties and Powers of Ms. Lo

The Company has been taking active steps including, without limitation, making formal enquiry to the Bureau and other relevant parties to ascertain the reasons of, or incidents leading to, the Custody. As at the date of this announcement, the Company has not obtained information from the relevant parties in relation to the reasons of, or incidents leading to, the Custody of Ms. Lo. The Company will continue making due enquiries to ascertain the reasons of the Custody and disclose the details, as appropriate.

As announced on 29 July 2019, given that (i) the Board is still ascertaining whether the Custody has any correlation with the Group; and (ii) Ms. Lo has not been able to discharge her duties as an executive Director as a result of the Custody, the Board has resolved on 24 July 2019 to suspend all administrative and executive duties and powers of Ms. Lo as the chairman and an executive Director until further notice.

To further relieve the Regulatory Concern, the Group is taking steps to review and recompose the governance structure of the Company and certain subsidiaries of the Group in order to ensure management integrity.

(iv) Outstanding Financial Results

As disclosed in the announcement of the Company dated 18 July 2019, most of the accounting records of the Group was seized by the police in the PRC. Subject to the progress of the Bureau's investigation, the Group is seeking alternatives with the Bureau to facilitate the conduct of the audit by independent auditors.

As at the date of this announcement, the negotiation is still ongoing and as a result, the Company is unable to finalise the 2019 Annual Results on or before 30 September 2019. Accordingly, the approval by the Board of the 2019 Annual Results and hence the publication of the same will be postponed.

The Company will use its best endeavor and will take all necessary steps to publish the 2019 Annual Results as soon as practicable.

The Board considers that the actions taken by the Company as disclosed above are in the best interest of the Company and the Shareholders as a whole. The Company will continue to work with its professional and legal advisors to advance the resumption progress.

The Company will inform the public of the business operation and the resumption progress as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in share on the Stock Exchange was halted with effect from 9:00 a.m. on 19 July 2019 and will remain suspended until further notice.

Shareholders and prospective investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board of Directors
Camsing International Holding Limited
Liu Hui
Executive Director

Hong Kong, 18 October 2019

As at the date of this announcement, the Board comprises Ms. Lo Ching (duties suspended) and Ms. Liu Hui as the executive Directors and Mr. Lei Jun, Mr. Ross Yu Limjoco and Mr. Zheng Yilei as the independent non-executive Directors.

* *The English translation of the Chinese name of the relevant entity included in this announcement is for identification and reference only, and such translation may not be accurate and such entity may not have an official English translation/version of its Chinese name.*