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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).

References are made to (i) 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, 10 October 2019, 6 March 2020 and 15 April 2020; and (ii) the quarterly update announcement of the Company dated 18 October 2019, 20 January 2020 and 21 April 2020 (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

UPDATE ON THE 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 the two Relevant Subsidiaries whose bank accounts have been restricted for use. The business operations of the Relevant Subsidiaries remain halted as at the date of this announcement. Despite the halt in the business operations of the Relevant Subsidiaries, the Group has been actively seeking cooperation opportunities with various business partners to continue engaging in its existing IP business.

RESUMPTION GUIDANCE

The Stock Exchange has set out the below resumption guidance for the Company in August 2019 and October 2019:

- (a) disclose details of the Custody of Ms. Lo by 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;
- (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 has continued to take active steps to address and comply with the Resumption Guidance as disclosed above.

As disclosed in the announcement of the Company dated 15 April 2020, the Company entered into the Term Sheet with the Investor in relation to the possible issue of senior note in the principal amount of RMB43,000,000, the proceeds of which shall be used as general working capital for the operation of the Group unless otherwise agreed in writing by the Investor.

In the past few months, the Company has been negotiating with the Investor with an aim to finalising the terms of the definitive agreement. In addition, there are other potential strategic and financial investors who have indicated interest in investing in, and cooperating with, the Company by submitting preliminary proposals to the Board for consideration.

As at the date hereof, no document have been signed between the Investor and the Company in relation to the Term Sheet. On 27 July 2020, the Investor indicated that (i) they will cooperate with the Company by introducing suitable business opportunities in IP development and licensing business with a view to facilitating the Company in meeting the requirements of the Resumption Guidance; and (ii) they will cooperate with other investors who are interested in co-investing in the Company.

Negotiation and discussion with the Investor and other investors are continuing. Further announcements will be made by the Company in compliance with the Listing Rules when the Company enters any agreement or document with the Investor and/or other investor(s) with regard to investing in or cooperating with the Company.

PURPORTED REQUISITION FROM PURPORTED SHAREHOLDER TO HOLD AN EXTRAORDINARY GENERAL MEETING

On 15 July 2020, Founder Securities (Hong Kong) Limited (“**FSHK**”), purportedly acting on behalf of China Based Limited, sent an e-mail to the advisors of the Company and a member of senior management of the Company (“**Purported Requisition E-mail**”), alleging that:

- (a) pursuant to a facility agreement dated 9 August 2018 entered into between China Base Group Limited (“**China Base**”), as borrower, Lo Chin, as guarantor, Founder Securities (Hong Kong) Capital Company Limited and Changjiang Finance (HK) Limited, as arrangers, Founder Securities (Hong Kong Capital) Company Limited as facility agent and FSHK as security agent, an event of default occurred on 5 July 2019 which were triggered by the Borrower and the Guarantor;
- (b) the facility agent sent a notice to the Borrower and the Guarantor on 9 July 2019, informing them the occurrence of an event of default. Accordingly, FSHK has been empowered to act for China Base pursuant to a Deed of Appointment of Proxy and Attorney (the “**Deed**”) which provides FSHK with authorisation to represent China Base and act in the name of China Base to exercise the rights to the shares in the Company held by China Base, including making requisition to convene general meeting; and
- (c) as at 15 July 2020, China Base held 281,210,150 shares in the Company, representing 26.1% of the entire issued share capital of the Company. According to article 58 of the articles of association of the Company, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at the general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to required an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

In light of the above, FSHK, as security agent, purportedly represented China Base to exercise its shareholder’s rights pursuant to the Deed, requesting a general meeting to be convened on or before 5 August 2020 for considering the proposed ordinary or special resolutions, as the case maybe, of (1) removing Lo Ching as the chairperson of the Board and executive Director; (2) appointment of three persons nominated by FSHK as non-executive Directors and one person nominated by FSHK as independent non-executive Director; and (3) changing the name of the Company.

The Company is seeking advice from its advisors in relation to the Purported Requisition E-mail. Additional time is required for the Board to consider the appropriate courses of action in response to the Purported Requisition E-mail. The Company will inform shareholders and potential investors by way of announcement 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, 28 July 2020

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