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## **SMARTAC INTERNATIONAL HOLDINGS LIMITED**

**環球智能控股有限公司**

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

**(Stock code: 395)**

### **RESUMPTION GUIDANCE**

This announcement is made by Smartac International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2) and 13.24A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities 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).

Reference is made to the announcement of the Company dated 25 May 2021 in relation to, among others, the Resumption Guidance and the suspension of trading in the Shares (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement. The Board wishes to provide the shareholders of the Company further update as follows:

### **RESUMPTION GUIDANCE**

As disclosed in the Announcement, the Company received from the Stock Exchange the following Resumption Guidance for the resumption of trading in the Shares:

- (i) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (ii) demonstrate compliance with Rule 13.24 of the Listing Rules; and
- (iii) inform the market of all material information for the Company’s shareholders and other investors to appraise the Company’s position.

Under Rule 6.01A of the Listing Rules, the Stock Exchange may cancel the Company’s listing if trading in the Shares has been suspended for 18 continuous months, expiring on 30 September 2022 (the “**Period**”). The Stock Exchange requests the Company to fulfill the Resumption Guidance before the expiry of the Period to avoid delisting.

## LATEST DEVELOPMENT

The Board would like to announce that the Company has published all outstanding financial results required under the Listing Rules (i.e. the annual results announcement for the year ended 31 December 2020 and the annual report (the “**Annual Report**”) for the year ended 31 December 2020) on 31 May 2021 and 2 June 2021 respectively. As disclosed in the Annual Report, the consolidated financial statements of the Company for the year ended 31 December 2020 were subject to two audit qualifications (the “**Audit Qualifications**”) in relation to the recoverability of trade receivables and the net realisable value of inventories. For more details of the Audit Qualifications, please refer to the Annual Report.

The Company will take all reasonable measures to address the Audit Qualifications including proactively following up on all the overdue amounts from the customers and pursuing legal proceedings, where necessary, refining internal credit risk management policy and strengthening the ability of sales and marketing teams.

Since the Audit Qualifications only had an impact on the corresponding figures for the consolidated financial statements of the Company for the year ended 31 December 2020, the Audit Qualifications are expected to be uplifted in the consolidated financial statements of the Company for the year ending 31 December 2021, subject to the auditor’s assessment on the audit evidence to be obtained during the 2021 audit.

The Board would also like to announce that the Company has engaged legal advisers and consultant in assistance with the resumption exercise and will discuss with them to devise a detailed resumption plan (including the adoption of various measures to improve the business capabilities of the Group and/or to identify suitable target(s) or acquisition or investment opportunities to enhance the value of the Group). The Company will, with the assistance of the legal advisers and consultant, make submission to the Stock Exchange for its approval when there is any concrete resumption plan. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules.

## CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021 and will remain suspended until the Company fulfills the Resumption Guidance.

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

By order of the Board  
**Smartac International Holdings Limited**  
**Yang Xin Min**  
*Chairman*

Hong Kong, 22 June 2021

*As at the date of this announcement, the Board comprises (i) one executive Director, namely, Mr. Yang Xin Min (Chairman and Chief Executive Officer); and (ii) three independent non-executive Directors, namely Dr. Cheng Faat Ting Gary, Mr. Poon Lai Yin Michael and Mr. Peng Bobo.*