

香港聯合交易所有限公司
(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

The Exchange attaches significant importance to directors' compliance with the undertaking to cooperate with the Exchange's investigation. It is now one of the themes of the Exchange's enforcement activities. Directors' cooperation with investigations by the Exchange into the conduct of listed issuers and their directors is essential to enable the Exchange to discharge its function to maintain and regulate an orderly market. Failure to comply with the undertaking (a) renders the delinquent director liable to a separate disciplinary sanction; and (b) will be taken into account in the Exchange's consideration of the individual's suitability to be appointed a director of any issuer listed or to be listed in Hong Kong in the future.

The Listing Committee of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM Listing Committee")

CENSURES:

Mr Ang Wing Fung ("Mr Ang"), a former executive director ("**ED**") of Inno-Tech Holdings Limited (Stock Code: 8202) ("**Company**") for breaching his obligations under the Declaration and Undertaking with regard to Directors ("**Undertaking**") given to The Stock Exchange of Hong Kong Limited ("**Exchange**") in the form set out in Appendix 6A to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("**GLR**"), and stating that Mr Ang's conduct in this matter will be taken into account in assessing his suitability under GLR 5.02 (and its equivalent of the Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited, "**Exchange Listing Rules**") in the event that he should wish to become a director of any issuer listed or to be listed on the Exchange in the future.

For the avoidance of doubt, the Exchange confirms that the above sanction applies only to Mr Ang and not to any other past or present members of the board of directors of the Company.

On 27 June 2017, the GEM Listing Committee conducted a hearing into the conduct of Mr Ang in relation to his obligations under the Undertaking.

BACKGROUND

Mr Ang was an ED of the Company from 19 February 2010 to 8 April 2015.

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According to the Company's announcements published from February to April 2015 ("**Announcements**"), Mr Ang: (i) was suspected of dissipating a significant amount by cash withdrawals from the Company without supporting documents, in the vicinity of \$32 million; (ii) later acknowledged that he owed the Company \$33 million and repaid the same to the Company; and (iii) was asked by the Company to voluntarily resign as ED, which he did on 9 April 2015.

The Listing Department ("**Department**") has been investigating possible breaches of GLR by the Company and its directors including in particular Mr Ang, arising from the matters disclosed in the Announcements ("**Investigation**").

On 8 September 2016 the Department sent an enquiry letter to Mr Ang. As no response was received, from early October to early November 2016, the Department (i) sent reminder letters to Mr Ang and (ii) made telephone calls to Mr Ang. The telephone calls were (except for one occasion in October 2016 when Mr Ang answered and the call became disconnected after the Department's representative identified herself) unanswered with some being diverted to voicemail on which the Department left a message requesting Mr Ang to return call. Mr Ang did not return a call at any time.

On 14 November 2016, Mr Ang contacted the Department through his legal advisers to seek a time extension to respond to the enquiry letter. Despite the granting of a time extension and the expiry of the extended deadline of 30 November 2016, Mr Ang has not provided a substantive response to the enquiry letter either directly or through his legal advisers.

DIRECTOR'S UNDERTAKING

Mr Ang has given a written Undertaking to the Exchange, including an undertaking to cooperate in investigations conducted by the Department and/or the GEM Listing Committee, including answering promptly and openly any questions addressed to him.

GEM LISTING COMMITTEE'S FINDINGS OF BREACH

The Department submitted that Mr Ang has (a) actual knowledge of the Department's Investigation and enquiry letter; (b) failed to respond to the Department's enquiries without any reasonable grounds; and (c) therefore failed to comply with his Undertaking to cooperate in the Department's investigation.

The GEM Listing Committee considered the written and oral submissions of the Department, and concluded that Mr Ang breached his Undertaking by failing to cooperate with the Department in its enquiries.

REGULATORY CONCERN

A director's compliance with his Undertaking to cooperate with the Exchange's investigation into possible GLR breaches is of utmost importance in enabling the Exchange to discharge its function to maintain and regulate an orderly market. The GEM Listing Committee regards Mr Ang's breach in this matter serious, as it has an adverse impact on the Department's ability to conduct an efficient and thorough Investigation.

SANCTION

Having made the findings of breach stated above, and having concluded that the breach is serious, the GEM Listing Committee has decided to censure Mr Ang for his breach of the Undertaking for failing to cooperate with the Exchange's investigation. The GEM Listing Committee has further stated that Mr Ang's conduct in this matter will be taken into account in assessing his suitability under GLR 5.02 (and its equivalent under the Exchange Listing Rules) in the event that he should wish to become a director of any issuer listed or to be listed on the Exchange in the future.

Hong Kong, 27 July 2017