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比速科技集團國際有限公司

Bisu Technology Group International Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

UPDATE ON PROFIT WARNING AND BUSINESS UPDATE

This announcement is made by Bisu Technology Group International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and 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 (the “**Announcement**”) of the Company dated 7 December 2018. Unless otherwise defined, capitalised terms used herein shall have the same meanings ascribed to them in the Announcement.

The task force of the Company has visited the Car Manufacturing Customers in Chongqing and met the chief financial officer and/or the head of the finance department of the Car Manufacturing Customers to obtain more information on the financial difficulties of the Car Manufacturing Customers, their restructuring plan and their schedule for resuming normal production. According to the discussions with the representatives of the Car Manufacturing Customers, the unsatisfactory performance and the financial difficulties of the Car Manufacturing Customers in 2018 were caused by the reduction of excessive production capacity policy and the de-leveraging policy in China making the banks to reduce or withdraw credit facilities which halted the capital chain of the Car Manufacturing Customers. In order to resolve the financial difficulties, the Car Manufacturing Customers had been in negotiations with the banks, the local government and their shareholders to request for funding for resuming normal production. A five-party agreement was finally signed by our largest car manufacturing customer with, among others, the local government and their shareholders pursuant to which a new company shall be established as a platform for procurement and new funding shall be provided to the new procurement platform to support the resumption of normal production for both Car Manufacturing Customers. Half of the new funding has already been in place. It is expected that the remaining half of the new funding will be in place in February 2019. As a result of the provision of new

funding, the production of the Car Manufacturing Customers was resumed on 20 December 2018. As a result of the resumption of the normal production of the Car Manufacturing Customers, it is expected that the demand from the Car Manufacturing Customers for low-emission gasoline automobile engines which are the principal products of the Automotive Engines Business will be improved in 2019 if there is no further disruption in the production of the Car Manufacturing Customers. However, due to the adjustment in the production scale and product mix of the Car Manufacturing Customers, the expected demand from the Car Manufacturing Customers for low-emission gasoline automobile engines in 2019 will be lower than that in 2017 to a substantial extent.

The Group is negotiating with the Car Manufacturing Customers for a proposal to settle the accounts and bills receivables due from the Car Manufacturing Customers. Depending on the terms of the proposal, provision may have to be made for the accounts and bills receivables. Further announcement(s) will be made by the Company as and when necessary.

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

By Order of the Board
Bisu Technology Group International Limited
Lam Wah
Executive Director

Hong Kong, 28 December 2018

As at the date of this announcement, the executive Directors are Mr. Xing Bin and Mr. Lam Wah; the non-executive Director is Mr. Wong Hin Shek; and the independent non-executive Directors are Mr. Yip Tai Him, Mr. Chan Kai Wing and Mr. Leung Tsz Wing.