



CHINA SPORTS INTERNATIONAL LIMITED

(Incorporated in Bermuda)
(Company Registration: 39798)
(the "Company")

APPROVAL FOR EXTENSION OF TIME TO HOLD ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

The Board of Directors (the "**Board**") of the Company refers to the announcement by the Company on 16 October 2017 in relation to the Company's application to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for a waiver from the requirements of Rule 707(1) of the SGX-ST Listing Manual ("**Listing Manual**") and an extension of time to hold its Annual General Meeting ("**AGM**") for the financial year ended 30 June 2017 ("**FY2017**") ("**FY2017 AGM**") ("**Extension**").

The Board wishes to inform shareholders that the SGX-ST has on 2 November 2017, through its letter dated 2 November 2017 ("**SGX-ST Letter**"), informed the Company that the SGX-ST, having carefully considered the representations and submissions made by the Company, is unable to grant the Company an extension of time to 31 January 2018 to hold its AGM as there are no extenuating reasons why the Company is not able to hold its AGM by 31 October 2017. The SGX-ST Letter also stated that the SGX-ST expects the Company to hold its AGM as soon as possible.

In the SGX-ST Letter, the SGX-ST requested the Company to announce the following:-

- (i) The SGX-ST's decision on the Company's application;
- (ii) Detailed explanation as to why it could not hold its AGM by 31 October 2017; and
- (iii) When the Company intends to hold its AGM.

In its application for Extension, the Company informed the SGX-ST that it could not hold its AGM by 31 October 2017 for the following reasons:-

- (a) As disclosed in the Company's recent announcement on 25 September 2017 setting out its responses to the SGX-ST's queries ("**25 September Announcement**"), the Company is still in the process of appointing a suitable replacement for the Company's Chief Financial Officer ("**CFO**"), Ms. Ang Suk Ching, who has ceased her appointment on 3 July 2015. As stated in the 25 September Announcement, amongst other matters, the Company is currently interviewing a few potential candidates and wishes to select a qualified candidate of PRC nationality, while bearing in mind the cost effectiveness as well as the ability of the potential CFO or senior finance manager to carry out on-site monitoring of the operation of the finance department. Currently, a local finance manager based in the PRC will prepare the draft financial statements of the Company, which will be reviewed by an external consultant based in Xiamen, PRC, who will then collate the financial figures and prepare the results announcement for quarterly reporting. The Company has been informed by its auditors that without a CFO or a senior finance personnel from the Company who will be placed in-charge of and be responsible for the financial statements and consolidated accounts of the whole Group, the auditors are unable to carry out its audit work and complete the independent auditors' report in respect of the Company's financial statements for FY2017 to be presented to shareholders at the FY2017 AGM.
- (b) The Company has considered and deliberated on the suitability of the above-mentioned external consultant based in Xiamen as a candidate for the role of CFO or Finance Manager, and has started the process of negotiating with the external consultant since 1 April 2017 on the terms of his potential appointment, but more time is required to finalise negotiations.

- (c) Due to the change in the financial year end of the Company from 31 December to 30 June, which was announced by the Company on 16 December 2016, the current financial year will cover a period of 18 months from 1 January 2016 to 30 June 2017, instead of the usual 12 months. As such, the volume of work and time required to coordinate the audit process and to finalise the auditor's report have increased significantly compared to previous financial years. The auditors estimate to require an additional 6 to 8 weeks from now to complete the audit.
- (d) In the circumstances, the Company required more time to: (i) coordinate the audit process pending the appointment of the CFO or Finance Manager, (ii) allow the auditors to obtain the relevant financial information of the Group and complete its audit work, (iii) complete the review of the auditors' report, and subsequent thereto, (v) complete the administrative and procedural matters in relation to the FY2017 AGM, such as proof-reading, printing and distributing its Annual Report, and observing the 14-day notice to its shareholders.

The Company will conduct the AGM on or prior to 15th January 2018, and will make the relevant announcement in due course.

By Order of the Board

Lin Shaoxiong

Executive Chairman and Chief Executive Officer

7 November 2017