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Perennial

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恒都集團有限公司*

PERENNIAL INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 00725)

CHANGE OF AUDITOR

This announcement is made by Perennial International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Resignation of Auditor

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that PricewaterhouseCoopers (“**PwC**”) has resigned as the auditor of the Company (the “**Auditor**”) with effect from 4 October 2023, as PwC could not reach a consensus with the Company in respect of the proposed auditor’s remuneration for the year ending 31 December 2023 and were informed by the Board that they have decided to propose the appointment of another auditor.

The Company is incorporated under the laws of Bermuda and to the knowledge of the Board, there is no requirement under the laws of Bermuda for the outgoing auditor to confirm whether or not there is any circumstance in connection with its resignation which need to be brought to the attention of the shareholders (the “**Shareholders**”) and creditors of the Company (the “**Creditors**”). Therefore, PwC has not issued such confirmation.

The audit committee of the Company (the “**Audit Committee**”) has reviewed the audit fee proposal provided by PwC and considered that the estimated fee level may not commensurate with the current operation scale of the Group. The Audit Committee has also obtained and reviewed audit fee proposals provided by other professional accounting firms which were lower in comparison with PwC’s audit fee proposal. In view of the more competitive fee proposals provided by other professional accounting firms possessing the necessary capabilities and competence (including technical know-how, industry knowledge and track record, manpower and other resources) to perform its duties as the Auditor, the Board, with the recommendation of the Audit Committee, is satisfied that the resignation of PwC is in the interest of the Company and the Shareholders as a whole.

* For identification purposes only

The Board and the Audit Committee confirmed that, save as disclosed above, there is no other disagreement or dispute between the Company and PwC and there are no other matters or circumstances in respect of the resignation of auditor which should be brought to the attention of the Shareholders, the Creditors and the Stock Exchange. As at the date of this announcement, the Board confirms that PwC has not commenced any audit work for the year ending 31 December 2023 and hence considers that the change of Auditor will not have any material impact on the annual audit of the Group for the year ending 31 December 2023 (the “**2023 Audit**”).

Appointment of Auditor

The Board, with the recommendation of the Audit Committee, has resolved to appoint Mazars CPA Limited (“**Mazars**”) as the new Auditor with effect from 4 October 2023 to fill the casual vacancy arising from the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company.

The Audit Committee has considered a number of factors including but not limited to (i) the competence and calibre of Mazars including its experience in handling audit work for companies listed on the Stock Exchange, its familiarity with the requirements under the Listing Rules and the Hong Kong Financial Reporting Standards; (ii) the audit proposal of Mazars; (iii) its independence from the Group and objectivity; (iv) its market reputation and track record; (v) its resources and capability including but not limited to manpower and time; and (vi) the guidelines issued by the Accounting and Financial Reporting Council.

Based on the above, the Audit Committee has assessed and considered Mazars is eligible and suitable to act as the Auditor for the 2023 Audit. The Board and the Audit Committee are of the view that the change of Auditor would enhance the cost-effectiveness of the Company’s annual audit and is in the interest of the Company and the Shareholders as a whole.

The Board would like to take this opportunity to express its sincere gratitude to PwC for the professional services rendered to the Company during its tenure as the Auditor. The Board would also like to extend its warm welcome to Mazars on its appointment as the Auditor.

By Order of the Board
Perennial International Limited
KOO DI AN, LOUISE
Chairman

Hong Kong, 4 October 2023

As at the date of this announcement, the executive Directors are Mr. MON Chung Hung, Mr. CHAN Chun Yiu, Ms MON Wai Ki, Vicky, Ms. MON Tiffany, and Mr. MON Derek, the non-executive Director is Ms. KOO Di An, Louise and the independent non-executive Directors are Mr. LAU Chun Kay, Mr. LEE Chung Nai, Jones and Ms CHUNG Kit Ying.