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**稀镁科技**  
**REMT**

**稀镁科技集團控股有限公司**

**RARE EARTH MAGNESIUM TECHNOLOGY GROUP HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 601)**

## **CHANGE OF AUDITOR**

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

### **RESIGNATION OF AUDITOR**

The board of the directors of the Company (the “**Board**”) hereby announces that HLB Hodgson Impey Cheng Limited (the “**HLB**”) has resigned as the auditor of the Company with effect from 17 November 2023, as the Company and HLB could not reach a consensus on the proposed audit fee for the financial year ending 31 December 2023 (the “**2023 Audit**”).

The Board and the audit committee of the Company (the “**Audit Committee**”) have confirmed that save for the consensus on the proposed audit fee as disclosed above, there are no other disagreement or unresolved matters between the Company and HLB in respect of the change of auditor which should be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and the Stock Exchange.

HLB has confirmed in its letter of resignation dated 17 November 2023, and the Board has confirmed that there is no circumstance in connection with its resignation which the outgoing auditor consider should be brought to the attention of the Shareholders and creditors of the Company.

As at the date of this announcement, the Board confirms that HLB has not commenced any review or audit work for the 2023 Audit. The Board therefore believes that the change of auditor will not have any significant impact on the annual audit and the release of annual results of the Group for the 2023 Audit.

The Board would like to take this opportunity to express its sincere gratitude to HLB for its professional and quality services rendered for the Group during the past years.

## **APPOINTMENT OF AUDITOR**

The Board also hereby announces that, having considered the recommendation of the Audit Committee, it has resolved to appoint Prism Hong Kong and Shanghai Limited (“**Prism**”) as the new auditor of the Company to fill the casual vacancy following the resignation of HLB with effect from 17 November 2023. Prism shall hold office until the conclusion of the next annual general meeting of the Company.

The Audit Committee has considered a number of factors in assessing the appointment of Prism as the auditor, including but not limited to (i) Prism’s audit proposal, which aligns with the Company’s objective of effective cost control; (ii) Prism’s extensive experience, industry knowledge, and technical competence in providing audit work for companies listed on the Stock Exchange; (iii) its demonstrated independence from the Group, ensuring objectivity; (iv) its reputable standing in the market; (v) its resources and capabilities, including the size and structure of the proposed audit team; and (vi) the guidelines issued by the Accounting and Financial Reporting Council.

Based on the above, the Audit Committee has assessed and considered Prism is eligible and suitable to act as the auditor of the Company for the 2023 Audit. The Board and the Audit Committee are of the view that the change of auditor of the Company 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 welcome Prism as the auditor of the Company.

By Order of the Board  
**Rare Earth Magnesium Technology Group Holdings Limited**  
**Shum Sai Chit**  
*Chairman*

Hong Kong, 17 November 2023

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Shum Sai Chit and Ms. Chi Sile; and three independent non-executive Directors, namely Mr. Kwong Ping Man, Mr. Cheung Sound Poon and Mr. Lin Pengxuan.*