

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



QINGDAO HOLDINGS INTERNATIONAL LIMITED

青島控股國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00499)

CHANGE OF AUDITOR

This announcement is made by Qingdao Holdings International Limited (the “**Company**”) 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.

RESIGNATION OF AUDITOR

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that Messrs. Ernst & Young (“**EY**”) has resigned as the auditor of the Company with effect from 19 January 2024 as the Company and EY could not reach an agreement on the audit fee for the financial year ended 31 December 2023.

Subsequent to the Company’s annual general meeting held on 30 June 2023, there had been several rounds of communication between the Company and EY regarding the engagement arrangement for the 2023 audit.

The audit committee of the Company (the “**Audit Committee**”) has reviewed the audit fee proposal provided by EY. The Audit Committee has also obtained and reviewed audit fee proposals provided by other professional accounting firms which were lower in comparison with EY’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 independent auditor, the management informed EY in December 2023 of its decision to change auditor, and is satisfied that the resignation of EY is in the interest of the Company and the shareholders of the Company (the “**Shareholders**”) as a whole as it would enhance the cost-effectiveness of the Company’s audit and maintain audit quality.

* *For identification purposes only*

Pursuant to its resignation letter dated 19 January 2024, in reaching the decision of its resignation, EY has considered a number of factors including the level of audit fees and the professional risk associated with the audit of the Group and its available internal resources. EY also confirmed in its resignation letter that EY has substantially reduced the audit fee of 2023 audit and interim review as of 30 June 2024 compared with the fee of prior year. In view of the more competitive fee proposals provided by other professional accounting firms, the management decided to terminate the auditor relationship with EY for the financial year ended 31 December 2023.

EY has confirmed in their resignation letter dated 19 January 2024 that there are no matters in respect of their resignation that need to be brought to the attention of the Shareholders.

The Board and the Audit Committee confirm that there is no disagreement between the Company and EY (save for the audit fee), and are not aware of any matters in respect of the resignation of EY as auditor of the Company that need to be brought to the attention of the Shareholders.

The Board further confirmed that EY has not yet commenced any audit work on the financial statements of the Group for the financial year ended 31 December 2023. It is therefore expected that the change of auditor will not have any significant impact on the annual audit of the Group for the financial year ended 31 December 2023.

The Board would like to take this opportunity to thank EY for its professional services and support rendered to the Company during its tenure of office.

APPOINTMENT OF AUDITOR

The Board further announces that, with the recommendation from the Audit Committee, it has resolved to appoint BDO Limited (“**BDO**”) as the new auditor of the Company with effect from 19 January 2024 to fill the casual vacancy following the resignation of EY and to hold office until the conclusion of the next annual general meeting of the Company.

The Board wishes to express its warm welcome to BDO on its appointment as the auditor of the Company.

By Order of the Board
Qingdao Holdings International Limited
Cui Mingshou
Executive Director and Chairman

Hong Kong, 19 January 2024

As at the date of this announcement, the Executive Directors are Mr. Cui Mingshou (Chairman), Mr. Wang Yimei (Deputy Chairman and Chief Executive Officer) and Mr. Hu Liang; and the Independent Non-executive Directors are Mr. Yin Tek Shing, Paul, Mr. Wong Tin Kit, Ms. Zhao Meiran and Mr. Li Xue.