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**Shanxi Installation Group Co., Ltd.**  
**山西省安装集团股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2520)**

**(1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;  
(2) ADOPTION OF CHINA ACCOUNTING STANDARDS FOR  
BUSINESS ENTERPRISES; AND  
(3) CHANGE OF AUDITOR**

This announcement is made pursuant to Rule 13.51(1) and 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

Reference is made to the announcement of Shanxi Installation Group Co., Ltd. (the “**Company**”) dated December 15, 2023 (the “**Announcement**”) regarding the partial exercise of the Over-allotment Option, in respect of an aggregate of 40,152,000 H Shares. Save as otherwise required, terms used herein shall have the same meanings as those defined in the Announcement.

Upon completion of the partial exercise of the Over-allotment Option, the registered capital of the Company and the total number of shares were changed to RMB1,373,486,000 and 1,373,486,000 Shares, respectively. To reflect the relevant changes in the Company’s registered capital and share capital structure, on the thirtieth meeting of the first session of the board of directors of the Company (the “**Board**”), the Board proposed to make corresponding amendments to the articles of association of the Company (the “**Articles of Association**”).

The proposed amendments to the Articles of Association shall be subject to the approval by the shareholders of the Company (the “**Shareholders**”) at the 2023 annual general meeting of the Company (the “**General Meeting**”) by way of a special resolution.

## **ADOPTION OF CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES**

The Company has been preparing its financial statements in accordance with the International Financial Reporting Standards since the date on which the H Shares became listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

According to the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong (《有關接受在香港上市的內地註冊成立公司採用內地的會計及審計準則以及聘用內地會計師事務所的諮詢總結》)” issued by the Stock Exchange in December 2010, Mainland China incorporated issuers listed in Hong Kong are allowed to adopt China Accounting Standards for Business Enterprises for the purpose of preparing their financial statements, and accounting firms in Mainland China recognized by the Ministry of Finance of the People’s Republic of China (the “**PRC**”) and the China Securities Regulatory Commission are permitted to provide services using the PRC Certified Public Accountants Auditing Standards for those issuers.

On April 30, 2024, the Board convened its thirtieth meeting of the first session of the Board and reviewed and approved the change of the Company’s overseas financial statement preparation standards from International Financial Reporting Standards to China Accounting Standards for Business Enterprises, subject to the approval by the Shareholders at the General Meeting by way of an ordinary resolution.

Subject to the Shareholders’ approval, it is expected that the Company will adopt the China Accounting Standards for Business Enterprises for preparation of the financial statements and disclosure of relevant financial information uniformly starting from the financial statements and interim results for the six months ending June 30, 2024. The Board is of the view that the adoption of the China Accounting Standards for Business Enterprises will enhance efficiency and reduce disclosure costs and is in the interests of the Company and the Shareholders as a whole.

## **PROPOSED CHANGE OF AUDITOR**

Grant Thornton Hong Kong Limited (“**Grant Thornton Hong Kong**”) is currently the auditor of the Company, providing audit services to the Company in respect of the preparation of financial statements under the International Financial Reporting Standards. In view of the Company’s proposed adoption of the China Accounting Standards for Business Enterprises for the preparation of its financial statements, the Board also proposed not to reappoint Grant Thornton Hong Kong as the auditor of the Company, subject to the approval by the Shareholders by way of an ordinary resolution at the General Meeting.

Grant Thornton Hong Kong confirmed that there is no matter in relation to the proposed change of auditor that needs to be brought to the attention of the Shareholders or Stock Exchange. The Board and the audit committee confirmed that the Company had no disagreement with Grant Thornton Hong Kong regarding the proposed change of overseas auditor.

The Board considers that change of auditor will not have any material and adverse impact on the publication of the Company's interim results for the six months ending 30 June 2024.

Grant Thornton (Special General Partnership) is a firm of certified public accountants recognized by the Ministry of Finance of the PRC and the China Securities Regulatory Commission as qualified to provide audit services using the PRC Certified Public Accountants Auditing Standards for Mainland China incorporated issuers listed in Hong Kong. Subject to the approval by the Shareholders by way of an ordinary resolution at the General Meeting, Grant Thornton (Special General Partnership) will be appointed as the auditor of the Company to audit the financial statements of the Company in accordance with the China Accounting Standards for Business Enterprises, and assume the responsibilities of overseas financial reporting audit firm as required under the Listing Rules.

## **GENERAL**

The Company will put forward ordinary resolutions for the adoption of China Accounting Standards for Business Enterprise and change of auditor, and a special resolution for proposed amendment to the Articles of Association for the Shareholders to consider and, if thought fit, approve at the General Meeting.

A circular containing, among others, (i) details of the adoption of China Accounting Standards for Business Enterprises; (ii) proposed amendment to the Articles of Association; (iii) change of auditor; and (iv) the notice of the General Meeting, will be made available to the Shareholders in due course.

By order of the Board  
**Shanxi Installation Group Co., Ltd.**  
山西省安裝集團股份有限公司  
**Mr. Wang Limin**  
*Chairman and Executive Director*

Shanxi, the PRC, April 30, 2024

*As at the date of this announcement, the Board comprises: (i) Mr. Wang Limin, Mr. Ren Rui and Mr. Zhang Yan as executive directors; (ii) Mr. Xu Guanshi, Mr. Zhang Hongjie, Mr. Mu Jianwei and Mr. Feng Cheng as non-executive directors; and (iii) Mr. Wang Jingming, Professor Wu Qiusheng, Ms. Shin Chuck Yin and Mr. Guo He as independent non-executive directors.*