

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.



EVEREST MEDICINES

云 頂 新 耀

Everest Medicines Limited

雲頂新耀有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1952)

CHANGE OF AUDITORS

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

RESIGNATION OF AUDITORS

The board of directors of the Company (the “**Board**”) has reviewed the need for a change of auditor, having considered that PricewaterhouseCoopers (“**PwC**”) has served as the auditors of the Company since 2018.

The Board hereby announces that, the audit committee of the Company (the “**Audit Committee**”) has obtained and reviewed audit proposals provided by PwC as well as other professional accounting firms, and considered their respective industry experience, resource allocation and proposed fees. In view of the more competitive proposals provided by other professional accounting firms possessing the necessary capabilities and competence to perform its duties as an independent auditor, the Board, with the recommendation of the Audit Committee, is satisfied that a change in auditors would enhance the cost effectiveness of the Company’s annual audit and enable the Company to maintain good corporate governance, and would therefore be in the interest of the Company and the shareholders of the Company (the “**Shareholders**”) as a whole.

Accordingly, the Board had informed PwC of the proposed change of auditor in order to enhance the cost effectiveness of the Company’s annual audit and enable the Company to maintain good corporate governance, given that the Company was unable to reach a consensus with PwC on the auditor’s remuneration for the year ending 31 December 2024 (“**FY2024**”). PwC agreed to resign as the auditors of the Company with effect from 15 November 2024.

The Company is incorporated under the laws of the Cayman Islands and to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for the resigning auditors to confirm whether or not there is any matter connected with their resignation which they consider should be brought to the attention of the Shareholders. PwC has therefore not issued such a confirmation.

The Board and the Audit Committee confirmed that, except for the auditor's remuneration for FY2024 as aforesaid, there are no other disagreements or unresolved matters between the Company and PwC, and there are no other matters or circumstances in connection with the change of auditors of the Company that need to be brought to the attention of the Shareholders.

PwC was engaged for the review of the Company's interim financial information for the six months ended 30 June 2024 and the engagement was complete upon the publication of the interim results of the Company and its subsidiaries (the "**Group**") on 27 August 2024. PwC has not commenced any audit work of the Group for FY2024.

The Board believes that the change of auditors will not have any impact on the annual audit of the Group for FY2024.

The Board would like to take this opportunity to express its appreciation to PwC for its professional services and support rendered to the Group in the past years.

APPOINTMENT OF AUDITOR

The Board, with the recommendation of Audit Committee, has resolved to appoint Ernst & Young ("**EY**") as the new auditor of the Company with effect from 15 November 2024 to fill the casual vacancy following 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 in assessing the appointment of EY as the new auditor of the Group, including but not limited to (i) the audit proposal of EY; (ii) EY's experience, industry knowledge and technical competence in providing audit work for companies listed on the Stock Exchange; (iii) its independence from the Group and objectivity; (iv) its resources and capabilities including manpower and time; and (v) the Guidance Notes on Change of Auditors issued by the Accounting and Financial Reporting Council.

Based on the above, the Audit Committee has assessed and considered EY is eligible and suitable to act as the auditor of the Company. The Board and the Audit Committee are of the view that the change of auditors would enhance the cost effectiveness of the Company's annual audit, enable the Company to maintain good corporate governance and would therefore be in the interests of the Company and the Shareholders as a whole.

The Board would like to take this opportunity to extend its warm welcome to EY on its appointment as the new auditor of the Company.

By Order of the Board
Everest Medicines Limited
Wei Fu
Chairman and Executive Director

Hong Kong, 15 November 2024

As at the date of this announcement, the Board comprises Mr. Wei Fu as Chairman and Executive Director, Mr. Yongqing Luo and Mr. Ian Ying Woo as Executive Directors, Mr. William Ki Chul Cho and Mr. Honggang Feng as Non-executive Directors, and Ms. Hoi Yam Chui, Mr. Yifan Li and Mr. Shidong Jiang as Independent Non-executive Directors.