

*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.*



**Yuanda China Holdings Limited**  
**遠大中國控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2789)**

**RESIGNATION OF AUDITOR**

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

The board (the “**Board**”) of directors of the Company (the “**Directors**”) announces that Moore Stephens CPA Limited (“**Moore**”) has resigned as auditor of the Company with effect from 17 June 2022.

Moore stated in its resignation letter that it has taken into account several factors, including but not limited to, the impact of the prevention and control policies in response to the recent resurgence of COVID-19 epidemic in both Hong Kong and mainland China on the Company’s financial reporting and auditing procedures. The aforesaid matters have caused delay in the Company’s financial reporting process and caused delay to Moore in performing all the necessary audit procedures, including the assessment of the fair value of derivative financial instruments, the expected credit loss allowances of contract assets and trade receivables, the recognition of right-of-use assets and lease liabilities, provision for warranties, income tax, contingent liabilities, provision for outstanding legal claims and the recognition and measurement of the revenue and cost of sales, as disclosed in the Company’s announcement dated 31 March 2022. Accordingly, the planned audit work and the related timetable have been unexpectedly delayed, which in turn impacted on the reporting timetable of the Company.

Based on the current status and circumstances, and the available internal resources of Moore in light of the current work flows, Moore is not in a good position to form a precise estimate on the date by which it foresees it is able to complete the necessary audit procedures and to conclude the audit for the year ended 31 December 2021. The Group is unable to negotiate and agree with Moore for a mutually acceptable timetable to complete the audit for the year ended 31 December 2021. The Board believes that it is in the best interest of the Company and its shareholders to move forward and complete the audit as soon as practicable, and hence the Board resolved in a friendly and constructive manner to suggest Moore to consider to resign as auditor so that the Company may engage another qualified external auditor to complete the audit as soon as practicable. After due and careful consideration, Moore agreed to resign as auditor of the Company with effect from 17 June 2022.

Save as disclosed above, the Board and Moore are not aware of any matter in connection with Moore's resignation that needs to be brought to the attention of the shareholders of the Company.

The Board is in the process of appointing a new auditor to fill the casual vacancy following the resignation of Moore and to hold office until the conclusion of the next annual general meeting of the Company. The Company will make an announcement when such appointment is made.

By order of the Board  
**Yuanda China Holdings Limited**  
**Mr. Kang Baohua**  
*Chairman*

The PRC, 17 June 2022

*As at the date of this announcement, the executive directors of the Company are Mr. Kang Baohua, Mr. Liu Futao, Mr. Ma Minghui, Mr. Wang Hao, Mr. Zhao Zhongqiu and Mr. Zhang Lei and the independent non-executive directors of the Company are Mr. Poon Chiu Kwok, Mr. Woo Kar Tung, Raymond and Mr. Pang Chung Fai, Benny.*