

*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.*



**Feishang Non-metal Materials Technology Limited**

**飛尚非金屬材料科技有限公司**

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

**(Stock code: 8331)**

**(1) CHANGE OF AUDITORS**  
**(2) DELAY IN PUBLICATION OF THE 2017 ANNUAL RESULTS AND**  
**DELAY IN DISPATCH OF THE 2017 ANNUAL REPORT**  
**(3) POSTPONEMENT OF BOARD MEETING AND**  
**(4) SUSPENSION OF TRADING**

This announcement is made by Feishang Non-metal Materials Technology Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 and Rule 17.50(4) of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**CHANGE OF AUDITORS**

**SHINEWING’s Resignation**

The Company announces that the board of directors of the Company (the “**Board**”) and the audit committee of the Company (the “**Audit Committee**”) have received a letter (the “**Letter**”) from SHINEWING (HK) CPA Limited (“**SHINEWING**”) advising its resignation as the auditor of the Company (the “**Resignation**”) with immediate effect, whereby SHINEWING sets out the matters leading to its Resignation. The relevant paragraph of the Letter is reproduced as follows:

“During the course of our audit, we became aware that the Company and its subsidiaries paid certain trade deposits/deposit paid for acquisition of a property to certain parties (the “**Transactions**”) during the year ended 31 December 2017. As communicated throughout the course of our audit and in our letter to the Board of Director and the Audit Committee dated 14 March 2018 and our meeting with the Audit Committee on 15 March 2018, we have requested to obtain full explanation and the necessary audit evidence about the Transactions, including but not limited to the background and relationship of the above counterparties with the Company and its subsidiaries, the nature of underlying transactions together with the related terms, if any, as well as the underlying business rationale. These are important to us to determine the scope of audit procedures on these Transactions, and ultimately assess their impact on the Company’s consolidated financial statements and their audit implications.

We were requested by the Board of Directors on 22 March 2018 to consider resigning as auditor of the Company as management considered that they have already offered their views and explanations with respect to the Transactions and have provided us with all the available requested documents to the fullest extent possible. However, as of the date of this letter, we have not yet obtained any of the explanation and information as requested in our letter dated 14 March 2018 mentioned above. As we are not able to obtain satisfactory explanations and evidence in connection with the Transactions, we are not able to perform the necessary additional audit procedures which we believe are necessary for the audit of the Company's consolidated financial statements for the year ended 31 December 2017, we therefore agree with the Board to terminate the audit relationship.”

Other than the above matters, SHINEWING confirmed that there are no circumstances in respect of the Resignation which they considered should be brought to the attention of the shareholders of the Company.

### **The Company's Response to The View of SHINEWING and The Resignation**

The Company would like to draw attention to the fact that (i) the Board was only formed on 9 January 2018 (being the date of appointment of all the existing executive director and the existing independent non-executive directors of the Company); and (ii) the relevant directors of the Company (the “**Former Board**”) involving in and making decisions on the Transactions and matters as mentioned in the letter from SHINEWING to the Board and the Audit Committee dated 14 March 2018 have all resigned and are no longer with the Company. As such, the Board could only provide the information and documents to SHINEWING as requested by referring to the available information and documents of the Company. Given the timing of handover, the intervening Chinese New Year holidays in February and the reluctance of the Former Board to respond to queries raised on them by the Board, the Board has tried its best in locating the whereabouts of the relevant information and documents as required by SHINEWING and the Board has already provided SHINEWING with relevant information and documents to the fullest extent possible which are available to the Board up to the date of this announcement.

As mentioned in the letter from SHINEWING addressed to the Board of Director and the Audit Committee dated 14 March 2018, SHINEWING may need to perform an additional audit procedure which may lead to additional audit fee even though the Company has provided all the available requested documents/information for the audit purpose. SHINEWING is unable to give a concrete timetable regarding the completion of the audit work for the year ended 31 December 2017.

After due and careful consideration by the Board and the Audit Committee, in light of the uncertainty over the time required and the additional audit fee as may be charged by SHINEWING to complete the audit work for the year ended 31 December 2017, the Board is of the view that it is in the best interest of the Company and its shareholders for the Company to terminate the audit engagement with SHINEWING and to identify a suitable new auditor to fill the vacancy following the Resignation of SHINEWING, such that the audit work for the year ended 31 December 2017 can be completed and the audited final results can be published as soon as possible.

## **Confirmation from The Board**

The Board confirmed that, save for the foregoing, there are no other matters in relation to the Resignation that need to be brought to the attention of the shareholders or creditors of the Company.

## **Appointment of New Auditor**

Pursuant to the articles of association of the Company, if the office of auditor becomes vacant by the resignation of the auditor, the directors of the Company shall fill the vacancy and fix the remuneration of the auditor so appointed.

The Company is pleased to announce that Elite Partners CPA Limited (the “**New Auditor**”) has been appointed as the new auditor of the Company with effect from 23 March 2018 to fill the casual vacancy following the Resignation of SHINEWING and to hold the office until the conclusion of the next annual general meeting of the Company.

## **DELAY IN PUBLICATION OF 2017 ANNUAL RESULTS AND DELAY IN DISPATCH OF 2017 ANNUAL REPORT**

Under Rules 18.03 and 18.49 of the GEM Listing Rules, the Company is required to publish the preliminary announcement of the annual results of the Group for the year ended 31 December 2017 (the “**2017 Annual Results**”) and dispatch the annual report of the Company for the year ended 31 December 2017 (the “**2017 Annual Report**”) on a date not later than three months after the end of the financial year of the Company, i.e. on or before 31 March 2018.

In view of the change of auditors of the Company, the publication of the 2017 Annual Results and dispatch the 2017 Annual Report will be delayed. After discussion with the New Auditor, the Board expects that the 2017 Annual Results and dispatch the 2017 Annual Report will be published around by the end of May 2018.

The Board acknowledges that the failure by the Company to publish the 2017 Annual Results and to dispatch the 2017 Annual Report within 3 months after the date of the financial year end, i.e. by 31 March 2018 will constitute a non-compliance with Rules 18.03 and 18.49 of the GEM Listing Rules. The Company will continue to closely work with the New Auditor to assist it in completing the audit work as soon as possible and will use its best endeavours to publish the 2017 Annual Results and despatch the 2017 Annual Report to the shareholders of the Company as soon as possible.

## **POSTPONEMENT OF BOARD MEETING**

Reference is made to the announcement of the Company dated 15 March 2018 in relation to the date of a meeting of the Board (the “**Board Meeting**”) to be held on Tuesday, 27 March 2018 for the purpose of, among other things, consider and, if thought fit, approve the 2017 Annual Results. As a result of the delay in the finalization of the 2017 Annual Results as mentioned hereinabove, the Board Meeting is accordingly postponed to another date to be fixed and announced by the Board.

The Company will publish further announcement(s) to inform shareholders and potential investors of the Company in relation to the Board Meeting, the publication of the 2017 Annual Results and the dispatch of 2017 Annual Report or any other update information as and when appropriate.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange will be suspended with effect from 9:00 a.m. on 26 March 2018 pending the publication of the 2017 Annual Results and the dispatch of 2017 Annual Report.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Feishang Non-metal Materials Technology Limited**  
**SU CHUN XIANG**  
*Executive Director*

Hong Kong, 23 March 2018

*As at the date of this announcement, the Board comprises (i) one executive director of the Company, namely Mr. SU Chun Xiang; and (ii) three independent non-executive directors of the Company, namely Mr. KO Yat Fei, Mr. CHOW Chi Hang Tony and Ms. SHAO Yu.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the day of its publication. This announcement will also be published on the Company’s website at [www.fsnmmaterials.com](http://www.fsnmmaterials.com).*