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KTL INTERNATIONAL HOLDINGS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 442)

PROPOSED CHANGE OF AUDITOR

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

The board of director (the “**Board**”) of the Company announces that Ernst & Young will retire as the auditor of the Company due to expiry of contract, with effect from the conclusion of the forthcoming annual general meeting (“**AGM**”) of the Company and will not offer themselves for re-appointment as Ernst & Young and the Company could not reach a consensus on the audit fee for the financial year ending 31 March 2017.

The Board has resolved, with the recommendation from the audit committee of the Company, to propose the appointment of Crowe Horwath HK (CPA) Limited as the new auditor of the Company following the retirement of Ernst & Young and to hold office from the conclusion of the forthcoming AGM until the conclusion of the next AGM of the Company, subject to approval of the shareholders of the Company (the “**Shareholders**”) by way of ordinary resolution at the forthcoming AGM.

The Company has received a confirmation from Ernst & Young that there are no matters which Ernst & Young needs to bring to the attention of the Shareholders or creditors of the Company in relation to the proposed change of auditor of the Company. The Board and the audit committee of the Company have also confirmed that there is no disagreement between Ernst & Young and the Company, and there are no other matters in respect of the proposed change of auditor and retirement of Ernst & Young that needs to be brought to the attention of the Shareholders or creditors of the Company.

A circular containing, among other things, details of the proposed change of auditor of the Company together with the notice of the forthcoming AGM will be dispatched to the Shareholders on or before 15 July 2016.

The Board would like to take this opportunity to express its sincere gratitude to Ernst & Young for its professional and quality services rendered to the Group during the past years.

By order of the Board
KTL International Holdings Group Limited
Kei York Pang Victor
Co-Chairman and Executive Director

Hong Kong, 6 July 2016

As at the date of this announcement, the executive Directors are Mr. Kei York Pang, Victor, Mr. Li Man Chun, and Mr. Kei Yeuk Lun, Calan; and the independent non-executive Directors are Mr. Ting Tit Cheung, Mr. Chan Chi Kuen and Mr. Lo Chun Pong.