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中国忠旺控股有限公司*

China Zhongwang Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01333)

ANNOUNCEMENT

PROPOSED CHANGE OF AUDITORS

The board of directors (the “**Board**”) of China Zhongwang Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to make an announcement regarding a proposed change of the Company’s auditors.

On 24 November 2017, the Board unanimously passed the resolutions to: (1) terminate the contract with KPMG as the auditors of the Company, and (2) appoint BDO Limited (“**BDO**”) as the new auditors of the Company (together, the “**Change of Auditors**”). Both resolutions are subject to the approval of the shareholders of the Company (the “**Shareholders**”) at the extraordinary general meeting of the Company, which will be held in due course. It is the Board’s intention that BDO will hold office until the conclusion of the forthcoming annual general meeting of the Company.

The main reason for the Board’s decision with respect to the proposed Change of Auditors is that the Board believes this will potentially improve the efficiency of the audit process and reduce the relevant costs for the Group as auditors which are in the same group as BDO are also responsible for (i) the annual audit of all of the Group’s wholly-owned subsidiaries in the PRC and (ii) the audit of the significant assets restructuring involving Liaoning Zhongwang Group Co., Ltd., a wholly-owned subsidiary of the Company, in order to achieve the spin-off and listing on the Shanghai Stock Exchange as previously announced by the Company.

KPMG has confirmed that there is no matter relating to the Change of Auditors that needs to be brought to the attention of the Shareholders. The Board and the audit committee of the Company are not aware of any other matter relating to the Change of Auditors that needs to be brought to the attention of the Shareholders.

The Company would like to extend its sincere gratitude to KPMG for the quality services they have provided to the Group in previous years.

By Order of the Board
China Zhongwang Holdings Limited
Lu Changqing
Chairman

Hong Kong, 24 November 2017

As at the date of this announcement, the Board consists of:

Executive Directors

Mr. Lu Changqing and Ms. Ma Qingmei

Non-executive Directors

Mr. Chen Yan, Mr. Liu Zhisheng and Mr. Zhang Hui

Independent Non-executive Directors

Mr. Wong Chun Wa, Mr. Wen Xianjun, Mr. Shi Ketong and Mr. Lo Wa Kei, Roy

* *For identification purpose only*