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## **SUN CHEONG CREATIVE DEVELOPMENT HOLDINGS LIMITED**

**新昌創展控股有限公司**

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

**(Stock code: 1781)**

### **Clarification Announcement**

This announcement is made by the board of directors (the “**Board**”) of Sun Cheong Creative Development Holdings Limited (the “**Company**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

### **RESIGNATION OF AUDITOR — UNJUSTIFIED COMMENT**

Reference is made to the announcement of Company dated 20 May 2020 (the “**Resignation of Auditor**”) in relation to Grant Thornton Hong Kong Limited (“**GT**”) resignation due to “the professional risk associated with the audit on transactions that may not be in full compliance with the corporate governance of the Company”. To the best understanding by the Board of Directors (“**the Board**”), the board would like to provide further clarification in response to the wordings of “may not be in full compliance with the corporate governance of the company”.

To the best understanding by the Board, certain information and records are located in the factory of China; due to the outbreak of COVID-19, at this stage we are unable to retrieve the supporting documents for the procurement of the fixed assets and for the set up cost of new factory operation, it temporarily causes a delay in the whole auditing process. The procurement of fixed assets should be closely monitored by the Management, but as the aforesaid, no site visit is allowed and it blocked the Management to have a further clarification for the auditors.

The Management is doing the best to obtain evidence and to arrange the factory visit at the earliest convenience once the quarantine removed. Further announcement of any update will be issued in a timely manner.

The Board would like to clarify the reasons for the change of the auditor are audit fee and the date of completion.

By Order of the Board  
**Sun Cheong Creative Development Holdings Limited**  
**Chan Kam Hon Ivan**  
*Executive Director*

Hong Kong, 20 May 2020

*As at the date of this announcement, the Board consists of Mr. Chan Kam Hon Ivan, Mr. Tong Bak Nam Billy, Ms. Jiselle Joey Chan and Mr. Un Ga Wei (all being executive Directors); Mr. Chan Sai On Bill (being a non-executive Director); and Ms. Hui Chi Yan Amy, Mr. Sze Chun Wai and Mr. Ng Chun Chung (all being independent non-executive Directors).*