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## **HAITIAN ENERGY INTERNATIONAL LIMITED**

**海天能源國際有限公司**

*(in provisional liquidation)*

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

**(Stock Code: 1659)**

### **CHANGE OF AUDITOR**

This announcement is made pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of Haitian Energy International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that SHINEWING (HK) CPA Limited (“**Shinewing**”) has resigned as the auditor of the Company with effect from 11 June 2020 (the “**Resignation**”), considering the reasons as extracted from resignation letter from Shinewing dated 11 June 2020:

“During the course of our audit and since the suspension of trading in the shares of the Company on 25 February 2019, we had been in continuous communication with the directors of the Company regarding the status of the audit, the resolution of outstanding matters as well as the timetable. As stated in our letter to the board of directors and the audit committee of the Company dated 31 January 2020 (the “**Letter**”), there are several major outstanding matters, including but not limited to, i) the assessment of the liquidity position of the Group and consequentially our assessment on the adoption of going concern basis underlying the preparation of the Financial Statements and ii) the intention money of RMB120,000,000 paid by a subsidiary of the Company pursuant to a letter of intent entered into by that subsidiary with certain independent third parties on 15 January 2019 (the “**Letter of Intent**”) in relation to the proposed acquisition of a company established in the People’s Republic of China which holds certain forestry land use rights which also affects our assessment on the adoption of going concern basis as mentioned in (i).

Up to the date of this letter, we have not been provided full explanation or sufficient appropriate audit evidence as to the abovementioned matters as well as other outstanding matters. Based on the current status in resolving the outstanding matters and various surrounding circumstances, we are not in a good position to form a precise estimate about the date by which we foresee we would be able to complete the necessary audit procedures and to conclude the audit opinion of the Financial Statements. Having considered the significance of the unresolved matters and inability to reach a consensus with the management of the Group on the timetable of completing the audit of the Financial Statements, we decided to tender our resignation as auditors of the Company.”

### **The Company’s Response to the View of Shinewing and the Resignation**

As set out in the announcements dated (i) the announcement of the Company dated 25 February 2019, 6 March 2019, 14 March 2019, 21 March 2019, 22 March 2019, 17 June 2019, 29 July 2019, 22 August 2019, 23 August 2019, 22 November 2019, 24 February 2020 and, 25 May 2020, the Company is in the course of recovering the deposit paid in relation to the Letter of Intent and up to the date of this announcement, full amount of the Intention Money has been recovered by the Company and the Board has been using its best endeavor to improve the current financial position of the Group and resolve the insolvency problem of the Group.

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 may be charged by Shinewing to complete the audit work for the years ended 31 December 2018 and 31 December 2019, the Board is of the view that it is in the best interest of the Company and its shareholders for the Company to accept the resignation from Shinewing and to identify a suitable new auditor to fill the vacancy following the resignation of Shinewing.

### **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 Prism CPA Limited (the “**New Auditor**”) has been appointed as the new auditor of the Company with effect from 11 June 2020 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.

The Board would like to extend its warm welcome to Prism on their appointment as the auditor of the Group.

## **CONTINUED TRADING SUSPENSION OF THE SHARES OF THE COMPANY**

Trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on 25 February 2019 and will remain suspended until further notice.

By Order of the Board  
**HAITIAN ENERGY INTERNATIONAL LIMITED**  
*(in provisional liquidation)*

**Lin Yang**  
*Chairman*

Fujian Province, the PRC, 11 June 2020

*As at the date of this announcement, the Chairman and executive director of the Company is Mr. Lin Yang, the other executive directors of the Company are Mr. Chen Congwen and Mr. Wang Xiaoyun; and the independent non-executive directors of the Company are Mr. Xie Zuomin and Mr. Zhang Gong.*