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HARMONY AUTO

和諧汽車

China Harmony Auto Holding Limited

中國和諧汽車控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03836)

CHANGE OF AUDITOR

The Board announces that Deloitte has resigned as the auditor of the Company with effect from 8 January 2021 and Zhonghui has been appointed as auditor of the Company with effect from 9 January 2021 to fill the casual vacancy following the resignation of Deloitte as auditor of the Company, and to hold office until the conclusion of the next annual general meeting of the Company.

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Harmony Auto Holding Limited (the “**Company**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board hereby announce that as the Company was unable to reach a consensus with Deloitte Touche Tohmatsu (“**Deloitte**”) on the timetable and progress of the audit work as of 31 December 2020, Deloitte indicated that they will not be in a position to commence the audit for the financial year ended 31 December 2020 until such time as the independent investigation has been satisfactorily completed. The Company believes that it is more appropriate for the audit work to commence in parallel with the independent investigation to ensure timely completion of the audit work as of 31 December 2020. The failure of the parties to reach a consensus in this regard has seriously affected the commencement and completion of the audit work this year. Meanwhile, since ZHONGHUI ANDA CPA Limited (“**Zhonghui**”) was the Company’s auditor for 2019 and is familiar with the Company’s business, it can maintain the continuity of the audit and complete the audit work as of 31 December 2020 in time. Accordingly, Deloitte resigned as the auditor after consideration

with effect from 8 January 2021. At the same time, the Company appointed Zhonghui as the Company's auditor as of 31 December 2020 with effect from 9 January 2021 and will hold office until the conclusion of the next annual general meeting of the Company.

Save for the above, Deloitte has confirmed to the Company that there is no circumstances related to its resignation as auditor of the Company that should be brought to the attention of the Company's shareholders. The Board and the audit committee of the Company confirmed that there are no matters or circumstances related to the above replacement of auditors that need to be brought to the attention of the Company's shareholders.

The Board would like to take this opportunity to express its welcome to Zhonghui on its new appointment as the auditor of the Company.

By Order of the Board
China Harmony Auto Holding Limited
FENG Changge
Chairman and Executive director

Hong Kong, 8 January 2021

As of the date of this announcement, the executive directors of the Company are Mr. Feng Changge, Mr. Liu Fenglei, Ms. Ma Lintao, Ms. Feng Guo and Mr. Han Yang; and the independent non-executive directors of the Company are Mr. Wang Nengguang, Mr. Lau Kwok Fan and Mr. Chan Ying Lung.