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四川能投發展股份有限公司

Sichuan Energy Investment Development Co., Ltd.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01713)

**(1) ALIGNMENT IN PREPARATION OF FINANCIAL
STATEMENTS IN ACCORDANCE WITH CHINA ACCOUNTING
STANDARDS FOR BUSINESS ENTERPRISES
AND
(2) PROPOSED CESSATION OF RE-APPOINTMENT OF
INTERNATIONAL AUDITOR**

The Board announced that the resolutions in relation to (i) the alignment in preparation of the financial statements of the Company in accordance with China Accounting Standards for Business Enterprises; and (ii) the proposed cessation of the re-appointment of the Company's international auditor have been considered and approved at the 29th meeting of the third session of the Board of the Company, among which the proposed cessation of the re-appointment of the Company's international auditor is subject to the Shareholders' approval at the upcoming annual general meeting of the Company.

**ALIGNMENT IN PREPARATION OF FINANCIAL STATEMENTS IN
ACCORDANCE WITH CHINA ACCOUNTING STANDARDS FOR BUSINESS
ENTERPRISES**

Since the date on which the H Shares of Sichuan Energy Investment Development Co., Ltd. (the "Company") were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company has been preparing its financial statements under both the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards.

According to the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong” (《有關接受在香港上市的內地註冊成立公司採用內地的會計及審計準則以及聘用內地會計師事務所的諮詢總結》) published by the Stock Exchange in December 2010, Mainland China incorporated issuers listed in Hong Kong are allowed to prepare their financial statements in accordance with the China Accounting Standards for Business Enterprises and Mainland China audit firms approved by the Ministry of Finance of the People’s Republic of China (the “MOF”) and the China Securities Regulatory Commission (the “CSRC”) are allowed to adopt the China Standards on Auditing in providing services to such issuers.

In order to improve working efficiency, lower disclosure costs and audit costs, since 2021, the Company decided to align the preparation of its financial statements and disclose relevant financial information in accordance with China Accounting Standards for Business Enterprises.

The Company is of the view that the preparation of all of its financial statements in accordance with the China Accounting Standards for Business Enterprises will not have a significant impact on the financial position, operating results and cash flows of the Company in 2021 and in the future.

PROPOSED CESSATION OF RE-APPOINTMENT OF INTERNATIONAL AUDITOR

KPMG is the international auditor of the Company, and carries out the audit work of the Company’s financial statements prepared in accordance with the International Financial Reporting Standards. In view that the Company’s decision to align the preparation of its financial statements in accordance with China Accounting Standards for Business Enterprises, the Board proposed to cease the re-appointment of its international auditor.

KPMG has confirmed that there were no matters regarding the proposed cessation of its re-appointment as the Company’s international auditor that need to be brought to the attention of the shareholders of the Company (the “Shareholders”). There is no disagreement between the Company and KPMG regarding the proposed cessation of its reappointment.

The Company is in the process of selecting an appropriate firm of practicing accountants which has been approved by the MOF and the CSRC and eligible to provide auditing services by using the China Standards on Auditing to the Mainland China incorporated issuers listed in Hong Kong to be the Company’s auditor for 2021 to undertake other responsibilities of international auditor which are required by the Rules Governing the Listing of Securities on the Stock Exchange. Further announcement will be made in this regard in due course.

In light of the aforesaid matters in relation to the alignment in preparation of the financial statements of the Company in accordance with China Accounting Standards for Business Enterprises and the proposed cessation of the re-appointment of the Company's international auditor (the "**Relevant Matters**"), the Board also proposed to amend relevant articles in the articles of association of the Company (the "**Articles of Association**"). For details of the proposed amendments to the Articles of Association, please refer to the announcement of the Company of the same date in relation to the proposed amendments to the Articles of Association.

The independent non-executive directors and the supervisors of the Company are of the view that, the Relevant Matters are in favor of the Company to improve working efficiency, lower disclosure costs and audit costs, and in compliance with the relevant laws and regulations; and there is no damage to the interests of the minority Shareholders. The independent non-executive directors and the supervisors of the Company have agreed that the Company should prepare all of its financial statements in accordance with the China Accounting Standards for Business Enterprises in future, and cease to re-appoint its international auditor.

The Relevant Matters have been considered and approved at the 29th meeting of the third session of the Board of the Company, among which the proposed cessation of the re-appointment of the Company's international auditor is subject to the Shareholders' approval at the upcoming annual general meeting of the Company.

By order of the Board
Sichuan Energy Investment Development Co., Ltd.*
Xiong Lin
Chairman

Chengdu, Sichuan Province, the PRC
20 April 2021

As at the date of this announcement, the executive Directors are Mr. Xiong Lin, Mr. Li Hui and Ms. Xie Peixi; the non-executive Directors are Ms. Han Chunhong, Ms. Li Yu, Mr. Zhou Yanbin and Mr. Xu Zhenhua; and the independent non-executive Directors are Mr. Kin Kwong Kwok Gary, Mr. Fan Wei, Ms. He Zhen and Mr. Wang Peng.

* *For identification purposes only*