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LUCION

Shandong International Trust Co., Ltd.

山東省國際信託股份有限公司

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

(Stock Code: 1697)

PROPOSED CHANGE OF EXTERNAL AUDITORS

This announcement is made by Shandong International Trust Co., Ltd. (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 “**Listing Rules**”).

In accordance with the Administrative Measures for Selection and Engagement of Accounting Firms in State-Owned Financial Institutions (Cai Jin [2020] No. 6) (《國有金融企業選聘會計師事務所管理辦法》(財金[2020]6號)) issued by the Ministry of Finance of the People's Republic of China, the service term of an accounting firm consecutively appointed by a state-owned financial enterprise shall not exceed five years in principle, and based on circumstances, could be extended to eight years. The service term of the external auditors appointed by the Company, PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers (collectively “**PwC**”), will reach five years at the conclusion of the upcoming annual general meeting. The Company considers that it is a good corporate governance practice to review auditor rotation from time to time in order to enhance independence. In this connection, the Company decided to re-select its external auditors through a public tender process and assessment of various factors (such as qualifications, industry experience, quality of work, reputation and fee quotations) of the tenderers. PwC decided not to participate in such public tender of the Company. They will retire as the external auditors of the Company and will not be standing for re-appointment as the auditors of the Company for the year ending 31 December 2021 at the forthcoming annual general meeting in June 2021.

PwC have confirmed in writing that there are no matters or circumstances in connection with their termination that need to be brought to the attention of members and creditors of the Company. The board of directors of the Company (the “**Board**”) has confirmed that there are no matters or circumstances in respect of the aforementioned change that need to be brought to the attention of the shareholders of the Company. The Board and the Audit Committee of the Company also confirm that there are no disagreements or unsolved matters between the Company and PwC.

The Board has proposed to appoint ShineWing Certified Public Accountants LLP and SHINEWING (HK) CPA Limited as external auditors of the Company for the year 2021 to be responsible for the matters of financial reporting in the People’s Republic of China and the international financial reporting, respectively. The relevant resolution will be proposed at the annual general meeting for the year 2020 of the Company (the “AGM”). The appointments of ShineWing Certified Public Accountants LLP and SHINEWING (HK) CPA Limited are still subject to the approval by shareholders at the AGM and the satisfaction of the client acceptance procedures currently being carried out by them. The Company will dispatch the AGM circular containing the details of the proposed appointment of external auditors to the shareholders in accordance with the Listing Rules.

The Board would like to express its sincere gratitude to PwC for their professional and quality services provided to the Company in previous years.

By order of the Board
Shandong International Trust Co., Ltd.
WAN Zhong
Chairperson

Jinan, the People’s Republic of China, 27 May 2021

As at the date of this announcement, the Board comprises Mr. Wan Zhong and Mr. Fang Hao as executive directors; Mr. Xiao Hua, Mr. Jin Tongshui and Ms. Wang Bailing as non-executive directors; Mr. Yen Huai-chiang, Mr. Ding Huiping and Ms. Meng Rujing as independent non-executive directors.