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CHINA SAITE GROUP COMPANY LIMITED

中國賽特集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 153)

**(1) APPOINTMENT OF AUDITOR;
(2) APPOINTMENT OF INTERNAL CONTROL CONSULTANT;
AND
(3) UPDATE ON THE INDEPENDENT INVESTIGATION**

References are made to (i) the announcement of China Saite Group Company Limited (the “**Company**”) dated 3 June 2021 in relation to the resignation of McMillan Woods (Hong Kong) CPA Limited, the then auditor of the Company; (ii) the announcements of the Company dated 22 July 2020, 30 September 2020 and 8 December 2020 in relation to the resumption guidance and additional resumption guidance issued by The Stock Exchange of Hong Kong Limited (the “**Resumption Guidance Announcements**”); (iii) the announcement of the Company dated 7 May 2021 in relation to the findings of the internal control report (the “**IC Findings Announcement**”); and (iv) the announcements of the Company dated 26 March 2021 and 22 June 2021 in relation to the quarterly update on suspension of trading (the “**Quarterly Update Announcements**”) (collectively the “**Announcements**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

APPOINTMENT OF AUDITOR

The Board hereby announces that, with the recommendation of the Audit Committee, the Board has resolved to appoint BDO Limited (“**BDO**”) as the new auditor of the Company with effect from 11 September 2021 to fill the causal vacancy following the resignation of McMillan Woods in June 2021 and to hold office until the conclusion of the next annual general meeting of the Company.

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

APPOINTMENT OF INTERNAL CONTROL CONSULTANT

It is one of the resumption guidance as laid down by the Stock Exchange (details of which are set out in the Resumption Guidance Announcements) that the Company should demonstrate that it has put in place adequate internal control and procedures to comply with the Listing Rules (the “**IC Guidance**”). In order to fulfill the IC Guidance, the Company has engaged Azzura Corporate Advisory Limited in July 2020 to conduct the Internal Control Review and prepare the Internal Control Report, the findings of which were disclosed in the IC Findings Announcement. The Company has been taking active steps to address the deficiencies and implementing enhanced internal control procedures following the recommendations as set out in the Internal Control Report.

Meanwhile, having considered the significance of maintaining an appropriate and effective internal control systems and in order to provide further assurance to the public that the Company is committed to fulfill the IC Guidance, the Board hereby announces that it has engaged SHINEWING Risk Services Limited (“**Shinewing**”) on 31 August 2021 as its internal control consultant to conduct a second round of independent review of the internal control systems and procedures of the Group (“**2nd IC Review**”). In light of the comprehensive coverage of the 2nd IC Review to be conducted by Shinewing, the Further Internal Control Review by Azzura as referred in the announcement of the Company dated 22 June 2021 would be suspended. The Company also confirms that there is no disagreement between the Company and Azzura and there are no other matters in respect of the change in internal control consultant that need to be brought to the attention of the Shareholders.

UPDATE ON THE INDEPENDENT INVESTIGATION

As stated in the Resumption Guidance Announcements, one of the resumption guidance is that the Company should conduct an appropriate independent investigation into the issues identified in the Resignation Letter, announce the findings and take appropriate remedial actions. In order to fulfill this guidance, as disclosed in the Quarterly Update Announcements, the Company has established the Independent Board Committee to conduct the Independent Investigation. The Independent Board Committee had engaged the Independent Legal Adviser to provide legal advice on matters relating to the Independent Investigation, and through the Independent Legal Adviser, had engaged RSM Corporate Advisory (Hong Kong) Limited as the independent consultant to provide professional services and assistance. As at the date of this announcement, the Independent Investigation is still on-going.

The Company will keep the Shareholders and its potential investors abreast of the material development (if any) of the audit work of the Group for the years ended 31 December 2019 and 2020, the 2nd IC Review and the Independent Investigation by way of publishing announcement(s) as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect since 22 June 2020 and will continue to be suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China Saite Group Company Limited
Jiang Jianqiang
Chairman

Hong Kong, 13 September 2021

As at the date of this announcement, the executive Directors are Mr. Jiang Jianqiang, Mr. Shao Xiaoqiang, Mr. Xu Fanghua, Mr. Liu Zhibo and Mr. Hua Gang; and the independent non-executive Directors are Mr. Xu Jiaming, Mr. Yan Hualin, Mr. Wu Zhongxian, Mr. Choi Ho Yan and Mr. Siu Siu Ling, Robert.