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C H E S H I T E C H

Cheshi Technology Inc.

車市科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1490)

CHANGE OF AUDITOR

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Cheshi Technology Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

At the annual general meeting of the Company held on 17 May 2022, PricewaterhouseCoopers (“**PwC**”) was re-appointed as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.

The Company has subsequently been unable to reach consensus with PwC on its audit fee for the year ending 31 December 2022 and hence the audit appointment has been terminated with effect from 22 July 2022.

The Company is incorporated under the laws of the Cayman Islands and to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for the outgoing auditor to confirm whether or not there is any circumstances connected with their outgoing which they consider should be brought to the attention of the Company’s shareholders (the “**Shareholders**”) and creditors. PwC has therefore not issued such confirmation.

The Board and the audit committee of the Company (the “**Audit Committee**”) confirmed that there are no disagreements on unresolved matters between PwC and the Company, and no other matters in respect of the termination of the audit appointment with PwC that need to be brought to the attention of the Shareholders.

The Company is of the view that Ernst & Young Global Limited (“**EY**”), as a major accounting firm, is able to devote suitable and adequate resources to handle the audit work of the Company for the year ending 31 December 2022.

The Audit Committee has assessed and considered that EY is eligible and suitable to act as auditor of the Company. The Board, with the recommendation of the Audit Committee, proposes to appoint EY with effect from 22 July 2022 as the new auditor of the Company (the “**Proposed Appointment**”) to fill the casual vacancy following the termination of the audit appointment with PwC, and to hold office until the conclusion of the next annual general meeting of the Company.

The Board and the Audit Committee are of the view that the Proposed Appointment will enable the Company to implement effective cost control and reduce the Company’s operating expenses for better response to the Group’s future business development, and is in the overall best interests of the Company and the Shareholders.

The Board hereby expresses its sincere gratitude to PwC for its professional services rendered to the Company during the past years. The Board hereby also extends its warm welcome to EY on its appointment as the auditor of the Company.

By order of the Board
Cheshi Technology Inc.
XU Chong
Chairman and Chief Executive Officer

Hong Kong, 22 July 2022

As at the date of this announcement, the Board comprises Mr. XU Chong, Mr. LIU Lei and Mr. LIN Yuqi as executive Directors, Mr. ZHU Boyang as a non-executive Director and Mr. XU Xiangyang, Mr. LI Ming and Mr. NG Jack Ho Wan as independent non-executive Directors.