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TARGET INSURANCE (HOLDINGS) LIMITED
泰加保險(控股)有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 6161)

**(1) RESIGNATION OF AUDITOR;
(2) APPOINTMENT OF AUDITOR; AND
(3) CONTINUED SUSPENSION OF TRADING**

This announcement is made by Target Insurance (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to the announcements of the Company dated (i) 5 January 2022 in relation to suspension of trading in the shares of the Company on the Stock Exchange; (ii) 20 January 2022, 17 February 2022 and 7 April 2022 in relation to the resumption guidance for the Company imposed by the Stock Exchange; and (iii) 31 March 2023 in relation to the delay in publication and despatch of the outstanding financial results of the Company (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings defined under the Announcements.

RESIGNATION OF AUDITOR

The Board hereby announces that on 24 April 2023, the Board and the audit committee of the Company (the “**Audit Committee**”) received a resignation letter (the “**Resignation Letter**”) from Mazars CPA Limited (“**Mazars**”) as the auditor of the Company with effect from the same date.

As mentioned in previous announcements of the Company, the Stock Exchange has imposed the Resumption Guidance on the Company for the resumption of trading in the shares of the Company. Under the Resumption Guidance, the Company is required to, among other things, publish all outstanding financial results, and address any audit modifications. As at the date of this announcement, (i) the annual results and annual report for the year ended 31 December 2021 and 2022; and (ii) the interim results and interim reports for the six months ended 30 June 2022 remain outstanding. According to the Resumption Guidance, the current deadline for the Company to meet all requirements set out in the Resumption Guidance and resume the trading in its shares is 4 July 2023.

In light of the imminent deadline for fulfilling the Resumption Guidance, the Company aims at having all its outstanding financial results published by no later than June 2023. Based on recent communications, the Company and Mazars were unable to reach consensus on the audit timetable for both the 2021 Annual Results and 2022 Annual Results, after taking into account factors including the turnaround time of resolving the outstanding matters (as discussed further below) to complete the audits on the 2021 Annual Results and the resource requirements associated with the audits on the 2022 Annual Results for fulfilling the Resumption Guidance. As a result of the aforementioned and as mutually agreed by the Company and Mazars, Mazars has decided to tender its resignation as the auditor of the Company with effect from 24 April 2023. In its resignation letter, Mazars has set out the key outstanding matters and information in relation to the audits on the 2021 Annual Results, which include information regarding the recoverability of the amount due from Nerico Brothers Limited, details of management's assessment of going concern of the Group and determination of carrying amount of certain assets held by the Group. As at the date of this announcement, Mazars has not commenced any audit works in respect of the 2022 Annual Results.

Save as disclosed above, Mazars confirmed that there are no other matters in connection with its resignation that need to be brought to the attention of the shareholders of the Company (the "**Shareholders**") or the Stock Exchange.

Both the Board and the Audit Committee confirmed that, save as disclosed above, there is no disagreement between the Company and Mazars and that there are no other circumstances in respect of the resignation of Mazars which should be brought to the attention of the Shareholders or the Stock Exchange.

APPOINTMENT OF AUDITOR

The Board further announces that, in accordance with the articles of association of the Company and with the recommendation of the Audit Committee, it has resolved to appoint McMillan Woods (Hong Kong) CPA Limited (“**McMillan**”) as the new auditor of the Company to fill the casual vacancy following the resignation of Mazars and to hold office until the conclusion of the next annual general meeting of the Company.

The Company will use its best endeavours to assist and cooperate with McMillan in the Company’s audit work, so that the 2021 Annual Results and 2022 Annual Results can be finalised, approved and published as soon as practicable.

Further announcement(s) will be made to inform the Shareholders and potential investors of the Company of the latest development in relation to the audit, publication of the 2021 Annual Results and 2022 Annual Results 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 has been suspended with effect from 9:00 a.m. on 5 January 2022 and will remain suspended until further notice.

By order of the Board
Target Insurance (Holdings) Limited
Dr. Ng Yu
Chairman

Hong Kong, 24 April 2023

As at the date of this announcement, the board of directors of the Company comprises one executive Director, namely Ms. Liang Qin; two non-executive Directors, namely Dr. Ng. Yu (Chairman) and Mr. Ling Xujun; and three independent non-executive Directors, namely Mr. He Xiaobin, Mr. Chiam Tat Yiu and Mr. Yu Cho Tak.