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Chen Lin Education Group Holdings Limited

辰林教育集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1593)

CHANGE OF AUDITOR

This announcement is made by Chen Lin Education Group Holdings Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, 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**”).

RESIGNATION OF AUDITOR

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that PricewaterhouseCoopers (“**PwC**”) has resigned as the auditor of the Company (the “**Auditor**”) with effect from 24 July 2023. The Board, after comparing the audit fee quotations obtained from multiple accounting firms, has decided to propose to change the Auditor for the audit of the consolidated financial statement of the Group for the year ending 31 August 2023 (the “**2023 Audit**”).

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 circumstance in connection with their resignation which they consider should be brought to the attention of the shareholders (the “**Shareholder(s)**”) and creditors of the Company. Therefore, PwC has not issued such confirmation.

The Board and the audit committee of the Company (the “**Audit Committee**”) confirmed that there are no other disagreements or unresolved matters between the Company and PwC in respect of the change of Auditor which should be brought to the attention of the Shareholders and the Stock Exchange.

As at the date of this announcement, the Board confirms that PwC has not commenced any audit work in relation to any review or audit work of the 2023 Audit. The Board believes that the change of Auditor will not have any significant impact on the 2023 Audit and the release of annual results of the Group for the 2023 Audit.

The Board would like to take this opportunity to express its sincere gratitude to PwC for its professional and quality services rendered for the Group during the past years.

APPOINTMENT OF AUDITOR

The Board also announces that, in accordance with the articles of association of the Company and with the recommendation from the Audit Committee, it has resolved to appoint BDO Limited (“**BDO**”) as the Auditor to fill the casual vacancy following the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company. Such appointment is subject to the satisfaction of the client acceptance procedures currently being carried out by BDO. The Company will make further announcement upon the appointment becomes effective. BDO has confirmed its independence from the Group.

The Audit Committee has considered a number of factors in assessing the appointment of BDO as the Auditor in accordance with their duties stated in the terms of reference of the Audit Committee, including but not limited to (i) the caliber of BDO including its experience in handling audit work for companies listed on the Stock Exchange, its familiarity with the requirements under the Listing Rules and the International Financial Reporting Standards; (ii) the audit plan of BDO; (iii) its independence and objectivity; (iv) its reputation in the market; (v) its resources and capability; and (vi) the guidelines issued by the Accounting and Financial Reporting Council. Based on the above, the Audit Committee is satisfied that BDO is competent in carrying out a high-quality audit for the 2023 Audit.

The Audit Committee has noted that BDO has extensive audit experience for other sizable listed companies in Hong Kong and has engaged in other reporting accountant works for many listed companies. BDO is of high reputation in the market and has a large global network with extensive internal expert support on various industries. The Audit Committee has also assessed the engagement team for the audit of the Group and considered there is sufficient and appropriate resources, including expertise and time to perform quality audits.

The Board and the Audit Committee are of the view that the change of auditor would enhance the cost-effectiveness of the Company’s audit fee and is in the interest of the Company and its Shareholders.

By order of the Board
Chen Lin Education Group Holdings Limited
HUANG Yulin
Chairman

Hong Kong, 24 July 2023

As at the date of this announcement, the Board comprises Mr. Huang Yulin, Mr. Yang Ruichen, Mr. Liu Chunbin, Mr. Wang Li, Ms. Gan Tian and Mr. Wang Shenghua as executive Directors, Mr. Li Cunyi as non-executive Director and Mr. Sy Lai Yin, Sunny, Mr. Chen Wanlong, Mr. Huang Juyun and Mr. Wang Donglin as independent non-executive Directors.