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## **Tat Hong Equipment Service Co., Ltd.**

**達豐設備服務有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2153)**

### **CHANGE OF AUDITORS**

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

### **RETIREMENT OF AUDITORS**

PricewaterhouseCoopers (“**PwC**”) was re-appointed as the auditors of the Company at the annual general meeting of the Company held on 28 September 2022 until the conclusion of the next annual general meeting of the Company.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that the Board has resolved not to re-appoint PwC as the auditors of the Company, and PwC will retire as the auditors of the Company upon expiration of their current term of office at the conclusion of the 2023 annual general meeting of the Company to be held and convened on 28 September 2023 (the “**2023 AGM**”) and will not seek for re-appointment as the auditors of the Company at the 2023 AGM, as the Company and PwC could not reach a consensus in respect of the proposed auditors’ remuneration for the year ending 31 March 2024.

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 retiring auditors to confirm whether or not there is any circumstance in connection with their retirement which they consider should be brought to the attention of the shareholders (the “**Shareholders**”) and creditors of the Company (the “**Creditors**”). Therefore, PwC has not issued such confirmation.

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

As at the date of this announcement, PwC has not commenced any audit work on the financial statements of the Group for the year ending 31 March 2024. The Board therefore believes that the change of auditors will not have any significant impact on the annual audit and the release of annual results of the Group for the year ending 31 March 2024.

The Board would like to take this opportunity to express its sincere gratitude to PwC for their professional services provided to the Company in the past.

## **APPOINTMENT OF AUDITORS**

The Board, with the recommendation of the Audit Committee, has resolved to appoint RSM Hong Kong as the new auditors of the Company to fill the casual vacancy following the retirement of PwC with effect from the conclusion of the 2023 AGM and until the conclusion of the next annual general meeting, subject to the approval of the Shareholders at the 2023 AGM.

Such recommendation was made by the Audit Committee after due consideration of, inter alia, (i) the Stock Exchange's Enforcement Bulletin (March 2023 edition), (ii) the open letter dated 27 October 2022 and the follow-up open letter dated 11 January 2023 issued by the Accounting and Financial Reporting Council ("AFRC"), and (iii) AFRC's Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors; as well as careful assessment of RSM Hong Kong's eligibility and suitability to act as the auditors of the Company in accordance with the rules and requirements set forth therein.

The Audit Committee has thus considered various factors when selecting RSM Hong Kong as the auditors of the Company, including, inter alia, (i) their rich experiences and capabilities, including their industry knowledge and technical competence in providing audit work for companies listed on the Stock Exchange, (ii) their familiarity with the requirements under the Listing Rules and the Hong Kong Financial Reporting Standards; (iii) their independence from the Group and objectivity; (iv) their reputation in the market and high standard of business integrity; (v) the audit plan of RSM Hong Kong and their resources and capability of completing the audit work within stipulated schedule; and (vi) the guidelines issued by the AFRC.

The Audit Committee also noted that RSM Hong Kong has extensive audit experience for many well-known and sizable Hong Kong listed companies, RSM Hong Kong has a high reputation and a large global network with extensive internal expert support. The Audit Committee has also assessed the engagement team for the audit of the Group and considered that RSM Hong Kong has sufficient and appropriate resources and manpower to achieve audit quality. Based on the above, the Audit Committee is satisfied that the integrity, expertise, independence, competence and capability of RSM Hong Kong enables it to perform high-quality audit work for the Group.

Based on the above, the Audit Committee has assessed and considered that RSM Hong Kong is eligible and suitable to act as the auditors for the year ending 31 March 2024. The Board and the Audit Committee also are of the view that the change of auditors would enhance the cost-effectiveness of the Company's audit and is in the interest of the Company and its Shareholders as a whole.

The proposed change of auditors will be put forward for approval by the Shareholders by way of ordinary resolution at the 2023 AGM. A circular and a notice of the 2023 AGM in respect of, among other things, the aforementioned resolution will be dispatched to the Shareholders in due course.

By order of the Board  
**Tat Hong Equipment Service Co., Ltd.**  
**Mr. Ng San Tiong**  
*Chairman and Non-executive Director*

Hong Kong, 25 August 2023

*As at the date of this announcement, the Board comprises Mr. Yau Kok San and Mr. Lin Han-wei as Executive Directors; Mr. Ng San Tiong, Mr. Sun Zhaolin, Mr. Liu Xin and Mr. Guo Jinjun as Non-executive Directors; and Mr. Wan Kum Tho, Dr. Huang Chao-Jen and Ms. Pan I-Shan as Independent Non-executive Directors.*