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SHIMAO SERVICES HOLDINGS LIMITED

世茂服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 873)

(1) CHANGE OF AUDITORS (2) FURTHER DELAY IN PUBLICATION OF 2021 AUDITED ANNUAL RESULTS

This announcement is made by Shimao Services Holdings Limited (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.

(1) CHANGE OF AUDITORS

(a) RESIGNATION OF AUDITOR

The board of directors (the “**Board**”) of the Company announces that at the suggestion of the Company, PricewaterhouseCoopers (“**PwC**”) has resigned as auditor of the Company with effect from 28 April 2022.

PwC stated in its resignation letter that (1) it had requested information in connection with adjustment to the revenue of the Group recognized in its management account against the unaudited annual results of the Group as announced on 31 March 2022 in respect of certain new businesses developed by the Group, including engineering services and smart community services, in the amount of approximately RMB923 million; and (2) due to the latest wave of COVID-19 outbreak which resulted in the lock-down of the office building of the Company’s headquarters in Shanghai and the quarantine of certain staff of the Group who are involved in the preparation process as well as the time for release of the control measures remains uncertain, the Company was not able to provide all the information requested by PwC. As such, PwC was not in a position to determine the additional audit work or commit a definite timeline for completion of the audit.

As the Company could not agree with PwC on the timetable and possible additional fee for completion of the audit, the Board believes that it is in the best interest of the Company and the shareholders of the Company to engage another external auditor and move forward to complete the audit as soon as practicable. The Board has resolved to suggest to PwC to resign as the Company’s auditor.

Save as disclosed above, the Board is not aware of any matter in connection with PwC's resignation that needs to be brought to the attention of the stakeholders of the Company.

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

(b) APPOINTMENT OF AUDITOR

The Board further announces that it has resolved, having regard to the recommendation from the audit committee of the Company, to appoint Moore Stephens CPA Limited (“**Moore Stephens**”) as the new auditor of the Company 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.

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

(2) FURTHER DELAY IN PUBLICATION OF 2021 AUDITED ANNUAL RESULTS

In the announcement of the Company dated 21 March 2022, it was stated that the Company estimated that the audited annual results of the Group for the year ended 31 December 2021 (“**2021 Audited Annual Results**”) will be published on or before 30 April 2022. Due to the prolonged COVID-19 outbreak in the PRC, in particular Shanghai, since March 2022, the audit process has been adversely affected, and the Company is unable to publish 2021 Audited Annual Results on or before 30 April 2022.

On the assumption that there will be no further deterioration in the COVID-19 situation in the PRC and no further stringent measures imposed to combat the pandemic, the Company estimates that it will take about six to eight weeks for the incoming auditor to complete the audit process. On this basis, the Company estimates that 2021 Audited Annual Results will be published by end of June 2022.

The Company will make further announcement(s) as and when appropriate.

On behalf of the Board
Shimao Services Holdings Limited
Hui Sai Tan, Jason
Chairman

Hong Kong, 29 April 2022

As at the date of this announcement, the Board of the Company comprises five Executive Directors, namely Mr. Hui Sai Tan, Jason (Chairman), Mr. Ye Mingjie (President), Mr. Cao Shiyang, Mr. Cai Wenwei and Mr. Liu Yu; one Non-executive Director, namely, Ms. Tang Fei; and three Independent Non-executive Directors, namely, Ms. Kan Lai Kuen, Alice, Mr. Gu Yunchang and Ms. Zhou Xinyi.