

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中國碳中和發展集團有限公司
China Carbon Neutral Development Group Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1372)

CHANGE OF AUDITOR

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Carbon Neutral Development Group 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.

RESIGNATION OF AUDITOR

The Board announces that RSM Hong Kong (“**RSM**”) has resigned as the auditor of the Company (the “**Auditor**”) with effect from 7 April 2022.

RSM stated in its resignation letter that: up to the date of the resignation letter, RSM has not been provided sufficient information and documents in relation to (i) internal control of receipts and payments cycles; (ii) valuation of carbon credit inventories; and (iii) opening balances of automotive engines segment. Additionally, due to the recent resurgence of Covid-19 pandemic and the implementation of Covid-19 measures in Hong Kong, the financial reporting of the Group has been adversely affected. As a result, RSM was unable to agree with the Company on a mutually acceptable timetable to complete the audit for the consolidated financial statements of the Group for the year ended 31 December 2021 (the “**Year**”), nor to reasonably estimate the time and manpower resources required to complete all audit works for the consolidated financial statements of the Group in respect of the Year.

The Company believed that it is in the best interest of the Company and its shareholders to move forward and complete the audit as soon as practicable, and hence suggested RSM to resign as the Auditor so that the Company may engage another qualified external auditor to complete the audit as soon as practicable.

After due and careful consideration, RSM accepted the recommendation of the Company and agreed to resign as the Auditor with effect from 7 April 2022.

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

The Board would like to take this opportunity to express its gratitude and appreciation to RSM for its professional services rendered to the Company.

APPOINTMENT OF NEW AUDITOR

The Board further announces that, with the recommendation from the Audit Committee, has resolved to appoint UniTax Prism (HK) CPA Limited ("**Prism**") as the new Auditor with effect from 7 April 2022 to fill the casual vacancy following the resignation of RSM 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 Prism on its appointment as the Auditor.

By order of the Board
China Carbon Neutral Development Group Limited
Chan Tan Na Donna
Chairman

Hong Kong, 7 April 2022

As at the date of this announcement, the executive Directors are Ms. Chan Tan Na Donna, Mr. Chen Xinwei, Dr. Cui Dingjun, Mr. Di Ling and Mr. Chen Lei; the non-executive Director is Mr. Lam Po Foon; and the independent non-executive Directors are Dr. Guo Yike, Mr. Wang Anyuan and Mr. Yu Wai Chun.