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齐鲁高速公路股份有限公司
QILU EXPRESSWAY COMPANY LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1576)

PROPOSED CHANGE OF AUDITORS

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Qilu Expressway Company Limited (the “**Company**”, and 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**”).

The Board hereby announces that Ernst & Young Hua Ming LLP, the domestic auditor (“**Ernst & Young Hua Ming**”), and Ernst & Young, the international auditor (“**Ernst & Young Hong Kong**”, together with Ernst & Young Hua Ming, “**Ernst & Young**”) of the Company, will retire as the domestic auditor and international auditor of the Company, respectively, upon the conclusion of the annual general meeting of the Company for 2024 (the “**2024 AGM**”) to be held on 26 June 2025.

The Board is of the view that, to maintain good corporate governance practices, the Company should consider rotation of its auditors after an appropriate period of time. Meanwhile, it is a good corporate governance practice to review auditor engagement arrangement from time to time in order to enhance the independence of the Company’s audit work. Accordingly, the Company has conducted a selection process for the procurement of audit services under the supervision of the audit committee of the Board (the “**Audit Committee**”). The Company’s internal policies require the procurement of audit services through an open tender process. Pursuant to the “Administrative Measures for Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies (Cai Kuai [2023] No. 4) (《**國有企業、上市公司選聘會計師事務所管理辦法**》(財會[2023]4號))” (the “**Administrative Measures**”), which provides valuable reference to the Company with respect to the procedures and factors to be considered in the fair competition and selection of auditors through competitive negotiation, open tender, invitation to bid and other engagement methods that may allow a full understanding of the competence of accounting firm, the Company conducted an open tender process for the selection of auditors, and has selected its new audits through an assessment of bidders based on various factors, such as qualifications, track record, reputation, personnel arrangements, industry experience, work quality and quotations. A total of 4 accounting firms participated in the selection process for the domestic auditor, while 4 accounting firms participated in the selection process for the international auditor. The Company considers that having such process is part of the measures for continual enhancement of impartiality and fairness in procurement of professional services, and could encourage competitive audit quality and fee.

Through the process, factors including (without limitation) the eligibility and qualifications of the participating accounting firms, audit scope, audit proposal, fees and other terms offered by these firms, their independence, reputation, composition of engagement team, their technical competency, experience, capacity and resources and matters relating to change of auditors in the “Guidelines for Effective Audit Committees – Section 2 – Selection and Appointment of Auditors” issued by the Accounting and Financial Reporting Council (“AFRC”) of Hong Kong and the “Guidance Notes on Change of Auditors” published by AFRC have been considered. Through this process, ShineWing Certified Public Accountants (Special General Partnership) (“**ShineWing PRC**”) and SHINEWING (HK) CPA Limited (“**SHINEWING HK**”, together with ShineWing PRC, “**ShineWing**”) were proposed to be appointed as the domestic auditor and international auditor of the Group for the year 2025, respectively. In particular, having considered, among other things, the following factors, the Company believes that ShineWing has the expertise and competence to perform quality audit: (i) their experiences in providing audit and accounting services to enterprises operating in the PRC, especially those listed on PRC securities exchanges or the Stock Exchange, whose principal businesses are relevant to those of the Group; (ii) the composition and structure of ShineWing’s engagement team, including their qualification, the number of certified public accountants involved, the individual experiences of partners and other team members and their communication with the Company; and (iii) the quality management and control procedures, information security, and other governance and internal mechanisms demonstrated by ShineWing.

Based on the above, the Audit Committee considers ShineWing to be qualified and suitable for appointment as the Company’s auditors for the year ending 31 December 2025. The Board, having considered the recommendation of the Audit Committee, resolved not to re-appoint Ernst & Young as the auditors of the Company at the 2024 AGM and proposed to appoint ShineWing PRC and ShineWing HK as the domestic and international auditors of the Group for the year 2025, respectively, for a term commencing upon the conclusion of the 2024 AGM until the conclusion of the next annual general meeting of the Company, with an aggregate audit fee of RMB500,000. The relevant resolution is subject to consideration and approval at the 2024 AGM.

Ernst & Young Hong Kong has confirmed in writing to the Board and the Audit Committee that there are no matters in relation to the cessation of Ernst & Young Hong Kong’s role as the international auditor of the Company that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”). The Board and the Audit Committee confirmed that there are no disagreements or unresolved matters between the Company and Ernst & Young, and there are no other matters or circumstances in relation to the cessation of Ernst & Young’s role as the auditors that need to be brought to the attention of the Shareholders. The Board would like to take this opportunity to express its sincere gratitude to Ernst & Young for their professional services rendered to the Company during their tenure.

The Board is of the view that the proposed appointment of ShineWing as the auditors of the Company will not have any material impact on the Group and will enhance the cost-effectiveness of the Company's annual audit. It is also conducive to maintaining good corporate governance practices in relation to the independence of the Company's auditors, which is in the interests of the Company and the Shareholders as a whole.

A circular containing, among other things, details of the proposed appointment of ShineWing as the auditors of the Company and the notice of the 2024 AGM will be published on the HKEXnews website (www.hkexnews.hk) and the Company's website (www.qllecl.com) and will be despatched to Shareholders who have indicated their preference for receiving printed copies in due course.

By Order of the Board
Qilu Expressway Company Limited
Wang Zhenjiang
Chairman

Shandong, the PRC
26 March 2025

As at the date of this announcement, the executive Directors are Mr. Wang Zhenjiang, Mr. Peng Hui and Mr. Liu Qiang; the non-executive Directors are Ms. Kong Xia, Mr. Kang Jian, Mr. Wang Gang, Mr. Shi Jinglei and Mr. Du Zhongming; and the independent non-executive Directors are Mr. Liu Hongwei, Mr. He Jiale, Mr. Wang Lingfang, Mr. Leng Ping and Ms. Shen Chen.