



嘉靈控股集團有限公司

嘉靈集團
KARIN
GROUP

Karin Technology Holdings Limited

(Incorporated in Bermuda on 30 August 2002)

Company Registration Number 32514

PROPOSED CHANGE OF AUDITORS FROM ERNST & YOUNG, HONG KONG TO ERNST & YOUNG LLP, SINGAPORE

The board of directors (the “**Board**”) of Karin Technology Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce the Company’s intention to change its auditors from Messrs. Ernst & Young, Hong Kong (“**E&Y HK**”) to Ernst & Young LLP, Singapore (“**E&Y SG**”) (the “**Proposed Change of Auditors**”).

E&Y HK has served as the auditors of the Company since 2005 and was last re-appointed as auditors of the Company at the last annual general meeting of the Company held on 28 October 2021. E&Y HK and the partner in charge from E&Y HK each meet the requirements under Rule 712(2)(b) of the Listing Manual of the SGX-ST, as amended from time to time (the “**Listing Manual**”). Rule 712 of the Listing Manual has been amended to include Rule 712(2A) which requires a company who has appointed an auditor under Rule 712(2)(b) of the Listing Manual to also be required to appoint an additional auditing firm that is approved under the Accountants Act 2004 of Singapore to jointly audit its financial results.

The Board is of the view that a change of auditors to E&Y SG would be appropriate as it would obviate the requirement to appoint an additional auditing firm under Rule 712(2A) of the Listing Manual. Furthermore, the Board is of the view that appointing joint auditors, rather than a single auditor, would incur additional work, time and cost without material added value to the shareholders as the scope of audit services to be provided by E&Y HK will be the same as to those provided by E&Y SG. Appointing E&Y SG solely will enhance the efficiency of the audit and is more cost efficient and beneficial to the Company and shareholders as a whole.

The Audit and Risk Management Committee has reviewed and deliberated on the Proposed Change of Auditors and recommends the same for approval after taking into consideration the suitability of E&Y SG, the requirements under the Listing Manual and the Audit Quality Indicators Disclosure Framework issued by ACRA.

In the view of the above, E&Y HK will retire and not seek re-appointment as auditors of the Company at the next annual general meeting scheduled on 27 October 2022 (“**AGM**”). The appointment of E&Y SG as auditors of the Company will take effect upon the approval by the shareholders of the Company at the AGM.

In accordance with Rule 1203(5) of the Listing Manual:

- (a) the outgoing Auditor E&Y HK, has confirmed that it is not aware of any professional reasons why the new Auditor, E&Y SG, should not accept appointment as Auditor of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing Auditor, E&Y HK, on accounting treatments within the last 12 months;
- (c) the Company confirms that, other than as set in the Appendix, it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of shareholders;

- (d) the specific reasons for the Proposed Change of Auditors has been disclosed in the Appendix. The Proposed Change of Auditors is neither due to the resignation of E&Y HK as Auditors of the Company, nor due to E&Y HK declining to stand for re-appointment nor due to the dismissal of E&Y HK as Auditors of the Company; and
- (e) the Company confirms that it is or will be in compliance with Rule 712, Rule 715(2) and Rule 716(1) of the Listing Manual in relation to the appointment of E&Y SG as the Auditor of the Company.

The appendix attached to the annual report (the “**Appendix**”) containing further details of the Proposed Change of Auditors together with the notice of AGM will be dispatched to shareholders in due course. Shareholders’ approval for the Proposed Change of Auditors will be sought for at the AGM.

BY ORDER OF THE BOARD
KARIN TECHNOLOGY HOLDINGS LIMITED

Wong Chi Cheung, Clarence
Financial Controller / Joint Company Secretary

12 October 2022
