



China Essence Group Ltd.  
嵩天集团有限公司

**CHINA ESSENCE GROUP LTD.**  
(Incorporated in the Cayman Islands)  
(Company Registration No. CT-152302)

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## RESIGNATION OF AUDITORS

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The Board of Directors (“**Board**”) of China Essence Group Ltd. (the “**Company**”) wishes to announce that the joint auditors of the Company (i) BDO Limited; and (ii) BDO LLP (collectively, “**BDO**”) have on 23 July 2015 given notice to the Company of their intention to resign as joint auditors of the Company.

In accordance with Rule 1203(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”):

- (a) the Company confirms it has received confirmation from BDO that save for (i) the independence threat resulting from audit fees owing by the Company to BDO; and (ii) BDO’s disclaimer of opinion as stated in its joint auditors’ report dated 3 July 2014 on the Company’s consolidated financial statements for the financial year ended 31 March 2014 (a copy of which was duly published on SGXNET on 4 July 2014), BDO are not aware of any professional reasons why any new auditors (the “**Incoming Auditors**”) should not accept appointment as auditors of the Company;
- (b) the Company confirms there were no disagreements with the Company on accounting treatments within the last 12 months;
- (c) the Board confirms that it is not aware of any circumstances connected with the change of auditor that should be brought to the attention of the shareholders of the Company which has not been disclosed in this announcement; and
- (d) BDO has resigned due to the independence threat arising from the long outstanding audit fees owing by the Company to BDO.

As required under Rule 712(3) of the Listing Manual, a change in the auditors of the Company must be specifically approved by shareholders in a general meeting. The Company is in negotiations with an auditing firm to replace BDO as the auditors of the Company and will separately issue a circular setting out the reasons and rationale for the appointment of the new auditors pursuant to the Listing Manual. A circular to the shareholders of the Company together with a notice of EGM will be despatched in due course.

The Board wishes to express their appreciation for the services rendered by BDO in the past.

### **By Order of the Board**

Zhao Libin  
Executive Chairman and Chief Executive Officer  
27 July 2015