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悟喜生活  
— WUXI LIFE —

## **Wuxi Life International Holdings Group Limited**

**悟喜生活國際控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8148)**

### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO CHANGE OF AUDITOR**

Reference is made to the announcement of Wuxi Life International Holdings Group Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) dated 25 November 2025 (the “**Announcement**”) in relation to the change of auditor. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board would like to provide the following supplementary information in relation to the change of auditor of the Company.

#### **KEY CONSIDERATIONS OF THE AUDIT COMMITTEE**

In evaluating the appointment of CCTH, the Audit Committee has considered section 2 of the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors issued by the Accounting and Financial Reporting Council on 16 December 2021. Details of its evaluation are summarized as follows:

##### **Audit quality**

In evaluating the audit quality of CCTH, the Audit Committee has taken into account the following factors:

- (i) *Governance and leadership*: The Audit Committee has reviewed CCTH’s organisational structure and the relevant policies in quality management regarding governance and leadership, and is satisfied that CCTH maintains a structured internal monitoring regime, which safeguards the public interest in the performance of its audit function.

- (ii) *Compliance with relevant ethical requirements:* The Audit Committee has reviewed CCTH's relevant policies in quality management regarding ethical requirements (including integrity, objectivity and independence), and is satisfied with the effectiveness of the related policies and procedures. Further, there were no prior services provided to the Company or its affiliated entities by CCTH member firms or their related entities that might create threats to independence. CCTH confirmed that there are no matters of which it is aware, that present a conflict of interest between its staff engaged on the audit and the management of the Group.
- (iii) *Industry knowledge and technical competence:* The Audit Committee has reviewed the profile of CCTH, the composition of the proposed audit engagement team and the profile of the audit engagement partner. As stated in the audit proposal, CCTH's existing clientele includes over 40 companies listed on the Stock Exchange. Furthermore, CCTH has demonstrated audit experience on similar and related industries to the business of the Group.
- (iv) *Engagement performance:* The Audit Committee has enquired into the audit methodology and audit strategy, including the scope, timing and direction of the audit. Further, having considered the proposed audit engagement team structure, the Audit Committee is satisfied that CCTH has adequate staff resources and capacity to perform a quality audit, having regard to the Group's business scale and the number of group entities.
- (v) *Communication and interaction with the Audit Committee:* Based on its review of the audit proposal, the Audit Committee considers that CCTH places appropriate emphasis on maintaining effective mutual communication with the Audit Committee during each phase of the audit, as necessary.
- (vi) *Monitoring process:* The Audit Committee has conducted public searches on the websites of the Accounting and Financial Reporting Council (the "AFRC") and the Hong Kong Institute of Certified Public Accountants, and noted that the AFRC reprimanded and imposed pecuniary penalty for delay in completing corrective actions within timeframe specified by the AFRC. The corrective actions were in relation to multiple deficiencies and areas identified during AFRC inspection for improvement, which included the development of new templates and sample working papers for expected credit loss assessment and the launch of new e-learning courses. The Audit Committee has considered the nature of the matter and the follow-up actions (e.g. designating registered responsible person and intermediate personnel to deal with the AFRC's matters, CCTH's proactive cooperation on resolving deficiencies) taken by CCTH, and does not consider this to have any impact on CCTH's integrity and ability to perform an independent and high-quality audit for the Group.

Based on the foregoing, the Audit Committee is satisfied that CCTH is independent, competent and capable to perform a high-quality audit for the Group.

## **Audit fee**

There has been no material change in the size and structure of the Group (including its business lines, geographical locations, number and relative significance of subsidiaries and associated entities) or the nature and complexity of its businesses for the years ended 31 December 2024 and 2025. The Audit Committee has assessed that different allocations of resources proposed by Fan Chan and CCTH. The Audit Committee therefore considers that the key factor underlying the different fees are attributable to market competition and the difference in audit team structures deployed by Fan Chan and CCTH.

The audit fee proposed by Fan Chan of HK\$1,000,000 and the audit fee proposed by CCTH of HK\$650,000 are primarily based on staff grade, budgeted hours and hourly rates. The decrease in audit fee is primarily due to the competitive average hourly rates offered by CCTH and CCTH's commitment to maintaining a consistent audit team throughout the audit engagement. Although Fan Chan's proposal involved more engagement team members but resulting in frequent personnel changes throughout the audit cycle. The Audit Committee noted that such structure may lead to reduced efficiency due to knowledge transfer requirements and potential coordination challenges. In contrast, CCTH proposed a stable, dedicated team structure who would remain consistent throughout the engagement. The Audit Committee considered such continuity within the audit team promotes effective communication, consistent application of audit methodology, sound professional judgement, and consistent documentation standards across all components of the Group. The lower average hourly rates proposed by CCTH of approximately 32% while maintaining similar engagement hours as compared to Fan Chan reflect scale efficiencies arising from CCTH. This approach also reduces coordination risks and communication delays, facilitates the timely resolution of audit issues and preserves clear accountability for audit quality.

Having assessed (i) the aforementioned factors relevant to audit quality; and (ii) the adequate resource allocation by CCTH, the Audit Committee believes that it has properly discharged its duty to ensure, and is satisfied that, the reduced audit fee is not at a level that would compromise audit quality.

## **PROPOSED AUDIT PLAN OF CCTH**

CCTH adopts a risk-based approach that directs its work and focus on areas where there are higher risks of material misstatement of the consolidated financial statements. CCTH identified (i) management override of controls, (ii) revenue recognition and (iii) impairment assessment on trade and other receivables as significant risk areas.

The tentative proposed timetable with detailed procedures and steps is as follows:

<b>Timeframe</b>	<b>Stages with detailed procedures and steps</b>
15 December 2025 – Late of December 2025	– Determine audit strategy and planned audit approach – Perform risk assessment procedures and identify risks
31 December 2025	– Stocktake
Early of January 2026	– Audit planning discussion with Audit Committee
19 January 2026 – 13 February 2026	– Hong Kong and the People’s Republic of China field work
20 February 2026 – Early of March 2026	– Review of the Group’s consolidated financial statements
Early of March 2026	– Clearance meetings with management
Mid-March 2026	– Finalisation of the Group’s consolidated financial statements
Late of March 2026	– Approval of the Group’s consolidated financial statements by the Audit Committee
Late of March 2026	– Results announcement

Under the proposed audit plan, CCTH expects to deploy an audit engagement team of eight members, including one engagement partner, one engagement review partner, one technical specialist, one audit manager, one senior audit officer and three audit officers, to complete the audit of the Group for the year ended 31 December 2025. Given that (i) the adequate resource allocation by CCTH is expected to expedite the audit process and enhance efficiency; (ii) there are no material differences in the audit approach or the scope of work required for the audits for the years ended 31 December 2024 and 2025; and (iii) the Audit Committee has held thorough discussions with CCTH on the audit planning to ensure CCTH has complete oversight of all key audit matters to ensure orderly and efficient audit process, the Audit Committee is of the view that the resources committed by CCTH are adequate to achieve the proposed audit timetable, and the proposed timetable is reasonable and sufficient for CCTH to complete all necessary audit procedures without compromising audit quality.

## **CHRONOLOGY OF EVENTS LEADING TO THE CHANGE OF AUDITOR**

In October 2025, the Company sought for Fan Chan's audit plan proposal and quotation for the audit engagement for the year ended 31 December 2025. The Company also enquired of two other professional accounting firms for the purpose of obtaining comparison quotes. Upon receiving the quotes, the Company negotiated with the three proposed auditors respectively to understand the plan, human resources and fees to be offered by the three proposed auditors in connection with the audit of the Company for the year ended 31 December 2025. After a series of discussions with relevant auditors in November 2025, the Audit Committee considered that among the three proposed auditors, the fee and resource commitment offered by CCTH was more favorable than the terms offered by Fan Chan. The Company has use its best endeavor to re-approach Fan Chan to obtain its revised quotes and audit plans but no agreements on fees could be reached between Fan Chan and the Company.

As no consensus could be reached on the final audit fee upon negotiation between Fan Chan and the Company, Fan Chan proposed its resignation as the auditor of the Company, and formally tendered its resignation letter to the Company on 25 November 2025. As such, the Audit Committee and the Board considered that there was no implication on GEM Rule 17.100. Given that the audit proposal from CCTH offered more favourable terms in view of its committed resources and fee structure, the Audit Committee consented to the resignation of Fan Chan and proposed the appointment of CCTH. The Board considered that the change of auditor would achieve cost efficiency while upholding audit quality, which is in the interests of the Company and its Shareholders as a whole. As such, the Company entered into an engagement letter with CCTH on 25 November 2025.

By order of the Board  
**Wuxi Life International Holdings Group Limited**  
**Liu Guanzhou**  
*Chairman*

Hong Kong, 19 March 2026

*As at the date of this announcement, the Board comprises the following Directors:*

***Executive Directors:***

Mr. Liu Guanzhou (*Chairman*)

Ms. Liu Xingmei

Mr. Choi Pun Lap

***Non-executive Directors:***

Ms. Li Hui Ling

Ms. Yan Dandan

***Independent non-executive Directors:***

Ms. Lai Pik Chi, Peggy

Mr. Fu Yan Ming

Mr. Xia Qiankun

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