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**Ziyuanyuan Holdings Group Limited**

**紫元元控股集團有限公司**

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

**(Stock Code: 8223)**

**SUPPLEMENTAL ANNOUNCEMENT  
CHANGE OF AUDITOR**

This announcement is made by Ziyuanyuan Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.50(4) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

Reference is made to the announcement of the Company dated 8 December 2025 in relation to the change of auditor of the Company (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board wishes to provide further information regarding (i) the reason for the resignation of BDO as auditor of the Company; and (ii) the assessment performed by the Audit Committee in recommending the appointment of Jon Gepsom as the new auditor of the Company.

**REASON FOR THE RESIGNATION OF BDO AS AUDITOR**

The Board would like to supplement that, as stated in the resignation letter of BDO dated 8 December 2025, BDO referred to its audit fee estimate for the audit of the consolidated financial statements of the Group for the year ending 31 December 2025 issued on 3 October 2025 and the revised fee proposal issued on 20 November 2025. In response to the Company’s notification that the Board intended to propose another audit firm as the new auditor of the Company due to the overall audit fee level and the continued pressure on the Group to manage and control its operating costs, BDO gave notice of its resignation as auditor of the Company with immediate effect as the Company and BDO were unable to reach a consensus on the audit fee for the 2025 audit.

## **ASSESSMENT PERFORMED BY THE AUDIT COMMITTEE**

### **1. Review of audit proposal and resources**

The Audit Committee reviewed the audit proposal submitted by Jon Gepsom, including the proposed audit scope, audit approach, staff resources proposed to be allocated to the audit engagement, time commitment and audit fee structure. In particular, Jon Gepsom provided a detailed breakdown of audit hours by staff grade and proposed to engage a PRC component auditor to perform audit work on the Group's PRC subsidiaries.

The Audit Committee noted that the lower audit fee proposed by Jon Gepsom was primarily attributable to the engagement of a PRC component auditor with a lower cost structure, rather than any reduction in audit scope or audit procedures. Having considered the proposed audit scope, audit approach, staff resources proposed to be allocated to the audit engagement, time commitment and audit fee structure, the Audit Committee considered the proposed audit fee to be reasonable.

### **2. Assessment of competence, experience and independence**

The Audit Committee reviewed the profile of Jon Gepsom, the engagement director and key members of the proposed audit team, including their qualifications, relevant experience in auditing Hong Kong listed companies and familiarity with the auditing of companies in industries similar to those of the Group and the requirements under the GEM Listing Rules.

The Audit Committee also obtained an understanding of Jon Gepsom's independence safeguards, ethical standards, quality management system, client and engagement acceptance procedures and market reputation, and obtained independence confirmations from Jon Gepsom prior to the acceptance of the engagement.

### **3. Understanding of audit approach and quality management**

Based on discussions with Jon Gepsom, the Audit Committee understood that Jon Gepsom would adopt a risk-based audit approach in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants and would issue group audit instructions and perform review procedures over the work of the PRC component auditor.

The Audit Committee reviewed the proposed audit plan, including the identification of significant risks, key audit matters, audit timetable and allocation of audit staff, and considered the proposed audit work to be appropriate and sufficient.

### **4. Ongoing monitoring arrangements**

The Audit Committee confirmed that it will maintain regular communication with Jon Gepsom throughout the audit process, including audit planning, progress and completion meetings, to monitor audit progress and address any significant matters identified.

The Company has also communicated with Jon Gepsom and understands that Jon Gepsom, together with the PRC component auditor, has completed the planning and risk assessment procedures in January 2026 and that the audit work is progressing in accordance with the

agreed audit timetable.

The Audit Committee confirmed that, apart from audit planning meeting and audit closing meeting, an audit progress meeting will be held between the Audit Committee and Jon Gepsom in early March 2026 to discuss (i) the updates of the audit progress and findings; (ii) any other matters and circumstances which required to draw attention to the Audit Committee; (iii) any disagreement with the management of the Group and difficulties identified when performing the audit; and (iv) any fraud or suspected fraud, outstanding litigation and claims, identified related party transactions and going concern issue identified.

Taking into account that Jon Gepsom currently has over 10 listed audit clients in Hong Kong and that the engagement director has over 20 years' experience in auditing listed companies in Hong Kong, the Audit Committee is satisfied that Jon Gepsom is independent, suitable and capable to complete the audit of the consolidated financial statements of the Group for the year ended 31 December 2025 in accordance with the proposed timetable, and does not expect the change of auditor to have any material adverse impact on the annual audit of the Group.

Save as disclosed above, all other information in the Announcement remains unchanged.

By order of the Board  
**Ziyuanyuan Holdings Group Limited**  
**Zhang Junshen**  
*Chairman and Chief Executive Officer*

Hong Kong, 26 March 2026

*As at the date of this announcement, the executive Directors are Mr. Zhang Junshen (Chairman and Chief Executive Officer) and Mr. Tian Zhiwei, the non-executive Directors are Mr. Lyu Di and Ms. Li Xinpei, the independent non-executive Directors are Mr. Chan Chi Fung Leo, Dr. Deng Bin and Mr. Hu Tao.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

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