

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

**SHANGHAI INTERNATIONAL  
SHANGHAI GROWTH INVESTMENT LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 770)**

**SUPPLEMENTAL ANNOUNCEMENT  
IN RELATION TO  
APPOINTMENT OF AUDITOR**

Reference is made to the announcement dated 8 December 2025 (the “**Announcement**”) of Shanghai International Shanghai Growth Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in relation to the appointment of Wilson & Partners CPA Limited (“**W&P**”) as the Company’s auditors. Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the Announcement.

The Company wishes to provide the Shareholders and potential investors of the Company with supplemental information in relation to the Announcement.

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

The chronology of key events leading to the change of auditor of the Company is as follows:

<b>Date/period</b>	<b>Events</b>
14 July 2025	The Company approached Ernst & Young, the then auditor of the Company (“ <b>EY</b> ”), to request a quotation for the interim review of the interim period ended 30 June 2025 and the audit of the financial year ending 31 December 2025. The Manager of EY informed the management of the Company by email, that there would be an increase in its proposed interim review and annual audit fee for 2025. EY provided to the Company that the proposed interim review fee of HK\$160,000 and the proposed annual audit fee of HK\$337,000, representing an increase of approximately 63% and 12%, respectively, as compared with last year.

- 16 July 2025                      The management and the Audit Committee of the Company considered the fee quotation for interim results had increased much more than their expectation and decided to prepare the interim report using internal resources.
- 29 August 2025                      2025 interim results announcement was released.
- 21 October 2025                      The management and the Audit Committee of the Company carefully evaluated the proposed increase in the annual audit fee for the financial year ended 31 December 2025 as communicated by EY. After a thorough review, the management and the Audit Committee of the Company formed the view that the magnitude of the increase was disproportionately high and could not be justified by the additional audit work. Considering the impasse, the Audit Committee recommended the Board to approach other PIE auditors to understand the audit fee generally charged in the market.
- 24 October 2025                      The Company inquired with several audit service providers. Finally, the Company approached W&P, and another PIE auditor, to obtain quotations for the provision of audit services to the Group for the year ending 31 December 2025. W&P provided an audit proposal and a fee quotation in the amount of HK\$238,000 for the Company's consideration.
- 30 October 2025                      The Company, after obtaining the audit proposal and fee quotation from W&P, discussed again with EY regarding the proposed annual audit fee. However, the Company and EY were unable to reach a consensus on the audit fee despite these efforts. As agreed mutually between the Company and EY, EY decided to resign as auditor of the Company.
- EY has confirmed that, save for the disagreement on audit fees, there are no matters relating to its cessation of office that need to be brought to the attention of the shareholders or creditors of the Company.

1 November 2025	<p>EY has formally notified the Company that it will commence the process of tendering its resignation as the Company’s auditor. EY explained that this process is subject to a series of complex internal governance and risk management procedures required by its firm-wide policies.</p> <p>The internal approval process, as described by EY, includes, but is not limited to, a detailed review of the Company’s draft announcement relating to the change of auditor. This review is undertaken to verify the accuracy, completeness, and fairness of the disclosure from EY’s perspective. As a result of these procedures, EY’s formal resignation and the issuance of the relevant confirmation letter will only take effect once all internal approvals have been obtained. The Company has been advised that these steps are mandatory and are a routine part of EY’s professional protocol when a change of auditor occurs.</p>
25 November 2025	<p>The Audit Committee considered the proposals and instructed the management of the Company to compute a comparison table regarding each of EY, W&amp;P, and another PIE auditor in relation to their (i) reputation, size and resources; (ii) familiarity with the nature of business the Group is engaged in; and (iii) audit proposal and fee quotation as reference and for consideration by the board of directors of the Company.</p> <p>Taking into account W&amp;P’s audit experience, industry knowledge, audit fee level, reputation and manpower allocation, the Audit Committee, after discussion with W&amp;P from time to time, was of the view that the proposed resources and timeline are reasonable and the annual results for the year ending 31 December 2025 of the Group would be published within the prescribed deadline.</p>
28 November 2025	<p>EY had completed complicated internal approval procedures, and the resignation letter was received by the Company.</p>
3 December 2025	<p>The draft engagement letter from W&amp;P was being considered by the Audit Committee.</p>
5 December 2025	<p>The engagement letter from W&amp;P was signed by the Board.</p>

## **AUDIT FEE**

The audit fee for FY2025 proposed by EY was HK\$337,000, and the audit fee for FY2025 agreed with W&P was HK\$238,000. EY proposed fee increment was based on several factors, including consideration of changes in management of the Company, the requirement for further audit procedures to obtain an understanding and reassess the Company's system of controls over transactions, and their incremental costs increased to cover inflation. EY considered the change in management would result in additional audit works, including but not limited to performing a comprehensive re-assessment of the overall audit risk and the internal control environment, investing additional time in understanding the new management team, and carrying out more in-depth procedures over management's accounting estimates and judgements. The resulting increase in audit effort and resources therefore necessitated a higher audit fee.

W&P determined the proposed audit fee based on the risk and complexity associated with the audit engagement, including but not limited to the changes in management of the Company, and how they could deliver an audit with high audit quality. They planned the audit work and budget hours to cover the opening audit, understanding of the Company and its system of controls over transactions, maintain constant communications with the management and the Audit Committee of the Company, conduct adequate audit fieldwork, and to obtain sufficient and appropriate audit evidence to report the audit results. As the incoming auditor, W&P would also need to perform work to understand the management team and assess the Company's system of controls.

## **COMPARISON BETWEEN EY AND W&P**

We compared the composition of the audit engagement teams of EY and W&P. Both teams comprise an engagement director/partner, an engagement quality reviewer, an audit manager, two audit seniors, and a junior staff member, each with comparable experience and industry knowledge. The audit timetables of EY and W&P both span from December 2025 through March 2026. Based on prior year records, EY devoted approximately 700 hours to the 2024 audit engagement. In contrast, W&P indicated that they plan to allocate more than 900 budgeted hours to the current audit engagement. Within this allocation, the audit engagement director and engagement manager are expected to dedicate of approximately 160 hours and 200 hours, respectively, on the current audit engagement, while audit seniors and associates will contribute an aggregate of approximately 280 to 350 hours for each grade. Overall, W&P's budget reflects an increase of approximately 200 hours compared to EY's prior year audit hours.

W&P and the engagement members possess good understanding and extensive experience in serving clients in the investment industry and they have completed many PIE audit engagements, including audit of Chapter 21 investment companies.

Both the Engagement Director of W&P and the Engagement Partner of EY have over 10 years of experience in providing audit and assurance services for listed companies, investment companies and multinational corporations, including extensive experience in auditing Chapter 21 investment entities. The Engagement Director of W&P is a CPA (Practising) and he possesses in-depth knowledge of HKFRS and he has provided professional audit services to many PIE audit engagements across a wide range of industries. Prior to joining W&P, he worked in various reputable audit firms, including Deloitte China and Ernst & Young and gained valuable experience and honed his skills in auditing and financial reporting.

The Engagement Quality Reviewer of W&P is the managing director of W&P and is a FCPA (Practising) with extensive audit experience. He was an experienced Audit & Assurance Partner of Deloitte China. He has more than 28 years of auditing experience with strong accounting and professional skills in financial reporting under HKFRS and IFRS. His expertise in providing audit services for companies listed on the Hong Kong Stock Exchange and with experience in providing audit services to Chapter 21 investment entity.

The Engagement Manager of W&P is a member of the HKICPA and ICAEW and she has more than 8 years of experience in audit and assurance including as audit manager in Deloitte China. She gained valuable experience and honed her skills in auditing and financial reporting during her time there. She specializes in providing audit services for listed companies and multinational corporations and she has participated in numbers of audit projects for numbers of listed companies. The Engagement Manager of EY is a member of CPA Australia, and she has more than 6 years of experience in audit and assurance.

Two senior staff and one junior staff of W&P will perform the audit procedures in this engagement. One senior staff of W&P is the student member of CPA Australia, has around 5 years audit experience and participated in numerous audit engagements for listed companies and Hong Kong private companies. The other senior staff of W&P is the student member of HKICPA, has around 3 years audit experience and participated in numerous audit engagements for listed companies. The junior staff of W&P is the student member of HKICPA and has over one year of audit experience in one of the Big 4 firm. EY has also two senior staff and both have over 3 years audit experience, and one junior staff with over 1 year audit experience. The audit experience possessed by audit engagement team members of W&P are like that of the engagement team of EY.

We considered that both engagement teams have adequate professional knowledge in the industry and have comparable experience. W&P will have adequate resources to complete the audit before the end of March 2026 and meet the reporting requirements.

## DETAILS OF W&P'S PROPOSED AUDIT PLAN AND AUDIT APPROACH

The following is the expected timetable for the publication of FY2025 annual results. The Audit Committee is satisfied with the audit plan and audit approach proposed by W&P.

<b>Date/period</b>	<b>Events</b>
25 November 2025 – 5 December 2025	Preliminary communication;  Customer due diligence and pre-assessment; and Communication with AC and outgoing auditor
5 December 2025	Engaged W&P
5 December 2025 – 10 January 2026	Audit planning fieldwork, including but not limited to risk assessment, determination of materiality, understanding of entities (governance, internal control, information system, walkthrough), sending confirmations, opening audit procedures, etc; and  Audit planning meeting with Audit Committee by W&P
21 January 2026	Complete the consolidated financial statements for the year ended 31 December 2025
23 January 2026	Provide the consolidated financial statements to W&P
24 January 2026 – 23 February 2026	Perform audit procedures, mainly include examination, observation, enquiry, external confirmation, recalculation, re-performing, analysis procedure, walk through tests, journal entries testing, valuation testing
2 March 2026 – 13 March 2026	Review all audit working papers, adjustments, draft Financial Statements (and annual report)
13 March 2026	Provide draft audited consolidated financial statements by W&P
17 March 2026	Input the figures on annual result announcement (the “ <b>announcement</b> ”)

20 March 2026	Send the documents to the Board
23 March 2026	Review the announcement
27 March 2026*	Publish the announcement and provide the audit report by W&P

\* The audit closing meeting with Audit Committee and the publication of the final results announcement took place on 30 March 2026, as W&P requires more time to complete the audit work.

W&P proposed to perform the audit in accordance with the Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA, with no involvement of component auditors, as described below:

W&P has complied with the requirements of HKSQM 1 and Code of Ethics. W&P has committed to delegating adequate human resources to the engagement. With Engagement Director and Engagement Manager leading a team of three members, a thorough understanding and rigorous risk assessment will be conducted to identify risk of material misstatements.

As we understand, W&P engagement team will begin work in December 2025 to carry out a preliminary assessment, obtain information related to the previous year’s audit and interim financial information, understand the Company’s financial reporting system, and assess the design and implementation of key controls. They will also commence audit planning work and arrange confirmations to banks and third parties. The engagement team also holds meetings with Audit Committee to cover the audit timing, the audit scope and strategy, significant risks, and key audit matters.

W&P engagement team will determine the scoping of the audit and a full scope audit procedure to be performed using performance materiality. They will then design and perform responsive testing procedures, which include a combination of inspecting documents, observing processes, making independent confirmations, and analytical reviews to obtain sufficient, appropriate evidence about the consolidated financial statements in February. This fieldwork focuses intensely on the highest-risk areas, including potential management override of controls and complex transactions. The Engagement Director will supervise the entire audit process to ensure they have obtained evidence needed to form the opinion. An independent engagement quality reviewer will be involved from planning stage and then scrutinize the findings before issuing an audit report, which also includes the key audit matters addressed during the engagement. W&P will continue to communicate with the Audit Committee during the process.

When designing an audit sample, W&P will consider the purpose of the audit procedure and the characteristics of the population from which the sample will be drawn, determine a sample size sufficient to reduce sampling risk to an acceptably low level and select items for the sample in such a way that each sampling unit in the population has a chance of selection and follow the requirements of HKSA 530. When determining an audit sample and sample size, the auditor will consider the purpose of the audit procedure and the characteristics of the population from which the sample will be drawn to ensure the sample size is sufficient to reduce sampling risk to an acceptably low level. A generally accepted statistical sampling method is used to determine if the account balances or monetary amounts in a population contain any misstatements.

By the middle of March, when the consolidated financial statements are ready, the engagement team will require additional information for disclosure purposes and discuss the audit findings with the Audit Committee. The announcement will be published in late March.

## **KEY ASSESSMENTS BY THE AUDIT COMMITTEE OF THE COMPANY**

The Audit committee has considered the factors contained in section 2 of the Guidelines for Effective Audit Committee — Selection, Appointment and Reappointment of Auditors issued by the Accounting and Financial Reporting Council in assessing the quality of W&P and is satisfied that W&P is independent, competent and capable. The consideration covers the following areas:

### **The governance and leadership**

The Audit Committee reviewed W&P's leadership profile, organisational structure and the relevant policies in quality management regarding governance and leadership and is satisfied that W&P is committed to serve the public interest by providing consistent performance of qualitative audit, assurance, review and other related engagements. The design, implementation and operation of the system of quality management enables the consistent performance of quality engagements by providing W&P with reasonable assurance that the quality objectives of the system of quality management are achieved. W&P has strong leadership figures, clear reporting lines and delegation of authority, as well as responsibility and accountability arrangements, which safeguard the public interest in the performance of its audit function.

## **Compliance with relevant ethical requirements**

The Audit Committee met with the directors in charge of the engagement, and they confirmed their compliance with the Code of Ethics for Professional Accountants (Code of Ethics) published by the Hong Kong Institute of Certified Public Accountants (HKICPA), including the independence provision. The communication covered the fact that there were neither any proposed non-audit services, financial and business relationships between the Company and W&P nor any other relationships (whether financial, employment, family relationships or otherwise) between the proposed audit engagement team members (and their respective immediate family members) and the Company, which may impair the independence of W&P in performing audit for the Company.

## **Details of the industry knowledge possessed by W&P regarding the Company's business operations**

In terms of industry knowledge, W&P is a registered PIE auditor that provides professional audit and assurance services. They have talented people, deep industry-specific knowledge and experience to deliver the highest quality and it was understood that an Audit Director will be responsible for their audit services to the Company, while an Audit Manager will be responsible for controlling the engagement on a day-to-day basis. The core team members possess extensive experience in professional services gained from Big 4 accounting firms and other reputable firms and have accumulated valuable experiences by providing audit services to listed groups in a wide range of industries and multinational conglomerates, including extensive experience in auditing Chapter 21 investment entities.

## **Communications and interaction with the audit committee**

W&P made it clear that their audit objectives will ensure they will be:

- delivering audit services with a focus on quality, risks, integrity, objectivity, and independence;
- identifying additional efficiencies and enhancements to our audit plan, building on the momentum from our prior audits; and
- providing open and frequent communication with management and those charged with governance.

The communication covers the timing of key milestones, the scope of the audit engagement and key issues and significant areas of the audit.

## **The monitoring process**

The Audit Committee noted that W&P complies with the requirements of HKSQM 1 & 2 and conducts annual monitoring. The monitoring covers evaluation of the system of quality management, which includes the review of quality management manual, annual quality risk assessment and a review of compliance relevant standards such as the HKSQM 1 & 2. In addition, the Audit Committee has conducted public searches on the websites of the relevant authorities, and no disciplinary actions concerning W&P, the key audit engagement partner or the engagement quality reviewer were identified.

In addition to the above, the Audit Committee assessed the detailed basis of the audit proposals and concluded that there were no key differences in the services provided by EY and W&P. The difference in proposed fees primarily reflects each firm's internal cost structure, resource model, and capacity planning. Professional firms determine their fee quotations based on a range of factors, including the scale and composition of their teams, the seniority mix deployed, the firm's operating model, and the availability of resources. These commercial considerations may vary between firms with different cost structures, even when the audit scope is broadly comparable. The Audit Committee undertook a structured evaluation process and concluded the reduced audit fee is the result of W&P's lower internal cost structure, as W&P's internal costs, including items such as rent, payroll and other non-engagement costs, are lower than those of EY's.

## **Other factors related to the recommended candidate**

The Audit Committee obtained and reviewed, among others, W&P's background information, client summary, quotation and audit services proposal for the year ending 31 December 2025.

In terms of competence and capability, W&P's core team members, as mentioned above, possess extensive experience in professional services gained from Big Four accounting firms and have accumulated valuable experiences by providing audit services to listed groups in a wide range of industries and multinational conglomerates, including extensive experience in auditing investment companies under Chapter 21 of the Listing Rules. They have committed adequate resources to the Company's audit. W&P has provided their time budgets and estimated hours for the audit engagement director and engagement manager of approximately 160 hours and 200 hours, respectively, while the aggregate hours for audit senior and associates will be approximately 280 to 350 hours for each grade. The principal business of Group is investment, and the Group solely operates in Hong Kong with straight forward operation. The transaction volume is modest over the period. The audit committee of the Group compare the budgeted audit hours of W&P of more than 900 hours with the prior year actual audit hours incurred by EY of around 700 hours and trust W&P's budgeted audit hours represent adequate resources to conduct the audit of the Group.

In assessing W&P's proposal, the Audit Committee undertook a structured evaluation process. This included reviewing W&P's firm profile, relevant industry experience, proposed engagement team, and the planned audit approach, including the nature, extent, and timing of audit procedures. The Audit Committee also held a meeting with W&P to discuss their audit methodology, sampling strategy, and the resources to be committed to the engagement. W&P has demonstrated that they are quick to response to our queries at early stage to give us confidence that they have committed the resources on the engagement.

Based on the above assessment, and our communication and experience with W&P, the Audit Committee is satisfied that W&P's proposed audit approach is robust and consistent with the requirements of the HKSA's, and that the level of resources to be deployed is appropriate for the Company's circumstances. The Audit Committee, therefore, has a reasonable basis to conclude that the reduced fee does not indicate a reduction in audit scope or quality, and that audit quality will not be compromised. The Audit Committee has fully discharged its duty to ensure that the audit quality would not be compromised due to reduced fees, and the decision is in the best interest of the Group and the shareholders of the Company.

By order of the Board  
**Shanghai International**  
**Shanghai Growth Investment Limited**  
**ZHAO Tian**  
*Executive Director*

Hong Kong, 14 May 2026

*As at the date of this announcement, the Board comprises Mr. ZHAO Tian as executive Director; Mr. CHING Jason and Ms. SHIH Mei Ling as non-executive Directors; and Mr. CHOI Tak Fai, Mr. WONG Albert Ka Wah and Mr. LEE Chan Wah as independent non-executive Directors.*