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Skymission Group Holdings Limited

天任集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1429)

SUPPLEMENTAL ANNOUNCEMENT PROPOSED CHANGE OF AUDITOR

Reference is made to (i) the announcement (the “**Announcement**”) of Skymission Group Holdings Limited (the “**Company**”) dated 24 April 2026, (ii) the circular (the “**Circular**”) of the Company dated 12 May 2026 and (iii) the poll results announcement (“**Poll Results Announcement**”) of the extraordinary general meeting (the “**EGM**”) of the Company held on 27 May 2026, in relation to, among others, the Proposed Change of Auditor. Unless otherwise stated, capitalised terms and expressions used in this announcement shall have the same meanings as those defined in the Circular.

As disclosed in the Announcement, the Circular and the Poll Results Announcement, the Board proposed to put forward the resolution regarding the appointment of TARGET CPA as the new auditor of the Company following the resignation of Asian Alliance as the auditor of the Company on 24 April 2026 at the EGM. The resolution was duly passed by the Shareholders by way of poll at the EGM.

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

AUDIT FEE

As disclosed in the Circular, the audit fee under discussion with Asian Alliance for the audit of the year ended 31 March 2026 (“**FY2026**”) amounted to HK\$1.1 million, whereas the audit fee agreed with TARGET CPA is HK\$0.9 million. The proposed fee level of Asian Alliance represented an increase of approximately 10% over the audit fee for the year ended 31 March 2025 (“**FY2025**”).

The audit fee proposed by TARGET CPA was determined with reference to its engagement team structure, hourly charge-out rates and the budgeted hours required for the 2026 Audit, details of which have been set out in the Circular. Asian Alliance did not provide the Company with any breakdown of its audit fee composition or resource allocation for the audits for FY2025 and FY2026.

Based on the Audit Committee’s review of the annual report of the Company for FY2025, its assessment of the Company’s business and financial position for FY2026 and its discussions with TARGET CPA, the general factors contributing to the difference in audit fees proposed by the two firms include:

- (i) audit approach and scope of work, which are broadly comparable having regard to the size and complexity of the Group’s business and the nature of its transactions;
- (ii) the seniority mixes and composition of the respective engagement teams;
- (iii) each firm’s internal cost structure and resource model; and
- (iv) each firm’s commercial considerations and capacity planning for the relevant audit period.

As disclosed in the Circular, the Audit Committee has reviewed and assessed the proposed audit fee of TARGET CPA with reference to (i) the size and structure of the Group; (ii) the nature and complexity of its business operations; (iii) the proposed audit methodology; (iv) the estimated time commitment of the engagement team; (v) the seniority and number of staff to be deployed; and (vi) the expected timetable for completion of the 2026 Audit.

Having considered the above factors, together with the fee proposals submitted by both firms, and noting that the audit approach and scope of work are broadly comparable in light of the Group’s scale, business complexity and transaction profile, the Audit Committee is of the view that the agreed audit fee with TARGET CPA is appropriate and commensurate with the level of professional resources required to undertake the audit engagement while maintaining prudent financial discipline.

EMPHASIS OF MATTER ON GOING CONCERN FOR FY2025

TARGET CPA has provided its preliminary views and is fully aware of the Emphasis of Matter relating to Going Concern for FY2025 (“**Going Concern Issue**”). TARGET CPA is also of the view that, should it assume the audit engagement for FY2025, the mere change of auditor will not, in itself, resolve or remove the Going Concern Issue.

As disclosed in the Circular, TARGET CPA will identify and assess high risk areas, which include the Going Concern Issue and will perform substantive procedures during the 2026 Audit.

TARGET CPA has indicated that its planned audit procedures in relation to the Going Concern Issue will include, but will not be limited to, the following audit procedures:

- (i) Evaluation of management’s cash flow forecasts – assessing the reasonableness of key assumptions, stress testing sensitivities, and comparing forecasts against historical performance and actual results to date.

- (ii) Review of financing arrangements – examining the availability of financing facilities, compliance with covenants, repayment schedules, and management’s plans for refinancing or obtaining additional funding.
- (iii) Assessment of mitigating plans – evaluating the feasibility and sufficiency of management’s proposed actions to address liquidity pressure, including cost reduction initiatives, operating cash flow management, refinancing capabilities, or recoverability of receivables.
- (iv) Analysis of subsequent events – considering events occurring after the reporting date that may affect the entity’s ability to continue as a going concern.
- (v) Review of the Board and management communications – inspecting minutes, correspondence, and internal reports relating to financial position, cash-flow management, and strategic decisions.
- (vi) Independent corroboration – obtaining external confirmations or third-party evidence where relevant to validate management’s representations.
- (vii) Evaluation of adequacy of disclosures – assessing whether the financial statements contain clear, complete, and compliant disclosures related to going concern.

TARGET CPA emphasises that the existence of going concern uncertainties is driven by the Company’s underlying financial and operational conditions. Accordingly, a change of auditor does not eliminate the Going Concern Issue, should such uncertainties continue to exist at the time of completion of audit.

AUDIT TIMETABLE

As disclosed in the Circular, the 2026 Audit is expected to be completed in time for the Company to publish the annual results for FY2026 by the end of June. Details of the proposed audit timetable have been set out in the Circular.

The Audit Committee has reviewed the proposed timetable and considers it reasonable and sufficient to support the completion of all required audit procedures without compromising audit quality. The phased approach, which covers early risk assessment in early to mid-May 2026, front-loaded execution work from mid-May to June 2026, and dedicated periods in late June 2026 for management communication, resolution of unadjusted differences, finalisation of HKFRS disclosures and preparation of financial statements and results announcement, provides an appropriate structure to ensure a thorough and orderly audit process. The Audit Committee is satisfied that the end-of-June reporting deadline is achievable and allows adequate time for review and the application of professional scepticism.

The Audit Committee is also satisfied that TARGET CPA has committed adequate and appropriately balanced resources, including significant senior-level involvement and sufficient fieldwork capacity, to meet the timetable. With a total commitment of 1,456 hours, the Audit Committee considers the resource plan commensurate with the demands of a listed-company audit. Senior personnel will contribute 136 hours from two partners, 16 hours from a technical specialist, and 488 hours from two managers. In the Audit Committee's view, this allocation of senior-level time (totalling 640 hours) supports the timely consideration of complex judgments, such as fair value measurements, revenue recognition, impairment assessments, and going-concern considerations. The remaining 816 hours allocated to audit seniors and associates provide sufficient capacity for substantive testing, data gathering, and centralised evidence collection. Overall, the level and mix of professional hours are considered appropriate for the Group's scale, business complexity and transaction profile and are expected to support the efficient execution of the audit and maintenance of audit quality.

Having considered the audit plan, resource allocation, and discussions held with TARGET CPA, the Audit Committee concludes that the proposed arrangements are appropriate. The 2026 Audit is expected to be completed in time for the Company to publish its annual results for FY2026 by the end of June.

ASSESSMENT OF THE APPOINTMENT OF TARGET CPA AS THE INCOMING AUDITOR

In addition to the factors considered by the Audit Committee in assessing the proposed appointment of TARGET CPA as new auditor and recommending the same to the Board in the Circular, the Audit Committee has, with reference to the relevant considerations under section 2 of the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors issued by AFRC, further considered the following aspects:

Governance and leadership

TARGET CPA has been established in Hong Kong for more than 10 years and is a registered Public Interest Entity auditor under the Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong).

TARGET CPA operates under a clear hierarchical structure comprising partners, directors, managers, and audit staff, with well-defined roles, responsibilities, and reporting lines to support the consistent delivery of high-quality audit services.

The Audit Committee also noted that partner oversight forms an integral part of TARGET CPA's governance framework, with engagement partner responsible for supervising audit execution, reviewing significant judgments, and maintaining accountability for audit quality and compliance with applicable professional standards.

The Audit Committee further noted that TARGET CPA maintains internal governance arrangements for audit quality, including engagement quality review procedures for appropriate audit engagements, consultation procedures for significant accounting and auditing matters, and escalation channels for complex or contentious issues. These arrangements support timely review of key judgments and help reinforce consistency and professional scepticism throughout the audit process.

The Audit Committee also considered that TARGET CPA has an internal quality review function responsible for monitoring compliance with the firm's quality management policies and audit methodology, identifying areas for improvement, and promoting continuous enhancement of audit quality. In the Audit Committee's view, the existence of such internal monitoring and review mechanisms is relevant to the firm's overall organisational structure and governance framework.

The Audit Committee is satisfied that TARGET CPA's governance and leadership arrangements are conducive to safeguarding the public interest through the delivery of a high-quality audit.

Industry knowledge and technical competence

The Audit Committee noted that TARGET CPA provides audit services to various Hong Kong listed companies and has demonstrable experience in industry(ies) comparable to that of the Company. Having reviewed the firm's credentials, the Audit Committee is satisfied that TARGET CPA possesses the industry knowledge required to understand the Company's operations, identify key audit risks, and design appropriate audit procedures.

The Audit Committee further observed that the proposed engagement team comprises senior professionals with extensive experience in auditing Hong Kong-listed entities. Both the engagement partner and the engagement review partner each have over 15 years of audit experience, and all key team members are qualified CPAs with strong technical competence in HKFRS Accounting Standards, the Listing Rules, and the Companies Ordinance.

The Audit Committee also considered the firm's planned use of a technical specialist to support the delivery of a high-quality audit. Combined with the working team's technical proficiency, this provides assurance that TARGET CPA possesses the industry knowledge, technical competence, and sufficiently experienced staff required to perform the audit effectively.

Communication

The Audit Committee acknowledges TARGET CPA's commitment to maintaining regular and transparent communication with both management and the Audit Committee throughout the audit, including the arrangement of private sessions with the Audit Committee in the absence of management. TARGET CPA will provide timely updates on issues identified during audit procedures, supporting proactive governance and reducing the risk of last-minute surprises.

The Audit Committee is satisfied with the early engagement dialogue, which demonstrated a strong commitment to two-way communication and alignment of audit expectations. The communication plan is clearly structured and appropriately sequenced to match the Company's reporting timeline. It supports timely discussions on audit progress, significant financial reporting matters, and any complex technical issues that may arise and ensures that the Audit Committee remains well-informed on matters with a higher risk of material misstatement.

The Audit Committee also values TARGET CPA's readiness to hold private sessions without management, enabling candid discussions on management judgments, estimates, and the control environment.

Overall, the Audit Committee considers TARGET CPA's communication approach to be well-designed, transparent, and consistent with best practices in corporate governance and audit oversight.

Monitoring process

The Audit Committee has conducted public searches on the websites of the relevant authorities, including reviewing the 2024-25 Annual Inspection Report published by the AFRC. With reference to the findings in that report and as confirmed with TARGET CPA, the Audit Committee is not aware of any disciplinary actions against TARGET CPA in relation to integrity, objectivity or independence.

All other information contained in the Circular remains unchanged and continues to be valid for all purposes. This announcement is a supplement to and should be read in conjunction with the Announcement and the Circular.

By order of the Board
Skymission Group Holdings Limited
Zou Feng
Chairman and Chief Executive Officer

Hong Kong, 3 June 2026

As at the date of this announcement, the Board comprises Mr. Zou Feng (Chairman and Chief Executive Officer), Mr. Guo Jiequn and Mr. Leung Wing Chun as executive Directors; Mr. Yuan Bingbo as non-executive Director; and Mr. Chan Ngai Fan, Mr. Dai Chenglong and Ms. Wu Kin Yi as independent non-executive Directors.