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MAN SANG INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 938)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE CHANGE OF AUDITOR

Reference is made to the announcement issued by Man Sang International Limited (the “**Company**”) dated 10 April 2026 (the “**Announcement**”) in relation to the change of auditor. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board wishes to provide the Shareholders and potential investors of the Company with additional information regarding the appointment of Rongcheng as the auditor of the Company.

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:

Date	Events
23 March 2026	The Company initially discussed with Rongcheng on the audit plan for the financial year ended 31 March 2026 (“ FY2026 ”).
23 to 26 March 2026	The Company invited professional accounting firms with requisite listed-company audit experience, including CCTH and Rongcheng, to provide audit fee proposals for FY2026.
26 March 2026	The Company received fee quotation from Rongcheng.
1 April 2026	The Company received fee quotation from CCTH.
2 April 2026	The Company received fee quotation from another independent auditor.
2 to 8 April 2026	The Company discussed with audit plan and fees with the auditors (including Rongcheng and CCTH).

8 April 2026 The Audit Committee received draft resignation letter from CCTH as the parties being unable to reach consensus on the audit fee for the audit for FY2026.

The Audit Committee reviewed the three quotations from the auditors, considered the change of auditor and made recommendation to the Board on the change of auditor. The Audit Committee also discussed with Rongcheng to understand the audit approach, proposed timetable, resources and other relevant information of Rongcheng as the proposed incoming auditor.

10 April 2026 The Board approved the change of auditor.

CCTH formally tendered its resignation as auditor.

Company published the announcement regarding the change of auditor.

FACTORS UNDERLYING DIFFERENT AUDIT FEES AND THE AUDIT COMMITTEE'S ASSESSMENT

The audit fee for FY2026 proposed by CCTH was HK\$1.5 million, and the audit fee for FY2026 agreed with Rongcheng was HK\$1.19 million.

As explained by CCTH, their audit fee increased from HK\$1.17 million for the financial year ended 31 March 2025 to HK\$1.5 million for FY2026 due to the tighter supply of the professional resources and their increased staff costs (including an increase in its internal recovery rate for recurring audit engagement). As a result, CCTH proposed a higher audit fee for the current year reflecting its revised cost base and planned staffing mix, while the audit hours will be broadly comparable to prior year for about 1,800 hours.

On the other hand, Rongcheng is able to allocate its audit staff more flexibly to complete the audit. Rongcheng also provided a transparent resourcing plan setting out the team members, specifying the team structure will comprise at least 1 partner, 2 directors, 1 senior manager, 2 managers, 7 team members and 1 quality review partner and planned hours of approximately 3,500 hours. Rongcheng has also provided detailed audit approach on the very substantial disposal transaction completed on 11 April 2025 etc. The Audit Committee noted that it is not uncommon for the professional firms to offer a more competitive pricing for new client. The incoming auditor, Rongcheng, will not reduce the audit hours (in fact, they committed 3,500 hours for the audit which exceeded 1,800 hours committed by CCTH for the audit in FY2025) or omit any required audit procedures which reflects Rongcheng's commercial decision to price competitively to obtain mandate from new client to expand its listed-companies client base.

The Audit Committee noted that both firms are of comparable size and professional standing. The Audit Committee has reviewed the audit approach, audit procedures and scope of work of the respective firms. Based on the information available to the Company, there is no material difference proposed by CCTH and Rongcheng. The Audit Committee has also met with Rongcheng to discuss the audit plan and methodology and confirmed that the audit approach and the areas of significant key audit matters highlighted are similar to CCTH. The Audit Committee is satisfied that no audit procedures have been omitted or curtailed as a result of the lower fee proposed by Rongcheng.

The Audit Committee reviewed and compared the staffing structures, budgeted audit hours and seniority profiles of the engagement team. The Audit Committee confirmed that Rongcheng has sufficient number of members at appropriate level of seniority, including partner or manager throughout the audit, the total budgeted hours proposed by Rongcheng is more than the outgoing auditor and Rongcheng has confirmed that it has adequate resources and capacity to complete the audit within the required timeframe.

In view of the above, the Audit Committee considered that the audit quality would not be compromised notwithstanding the lower audit fee. The Audit Committee made recommendation to the Board on the appointment of Rongcheng as new auditor after CCTH has indicated that they intend to resign as the parties are unable to reach consensus on the audit fee. The Audit Committee considered Rongcheng proposed fee and staffing plan to be more commensurate with the Group's expected audit budget and to provide a clearer commitment to the audit plan, timetable and manpower allocation, thereby offering the Company greater transparency and planning certainty. Accordingly, the Audit Committee was satisfied that it had discharged its duty to evaluate the proposed audit fees and resource allocation by (i) focusing on audit quality and sufficiency of resources, (ii) comparing differences and the basis of resourcing, and (iii) ensuring that the recommended fee level would not compromise audit quality. The Audit Committee considered it reasonable for the Company to favour the proposal that offered the Company opportunity to achieve great cost effectiveness without any diminution in audit quality.

ASSESSMENT OF THE NEW AUDITOR

The Audit Committee has considered the following factors when recommending Rongcheng as the new auditor of the Company to the Board, including but not limited to:

- (1) the “Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors” issued by the AFRC in December 2021: the Company has conducted a review on the suitability of Rongcheng as the new auditor following section 2 of the Guideline, including:
 - **Governance and leadership:** The Audit Committee reviewed the partners’ profiles in Rongcheng’s firm introduction and the firm information on its website and believed that the governance structure and leadership of Rongcheng on a firm wide level demonstrated their commitment to audit quality and the public interest. Rongcheng is an established firm with more than 15 years experience with a governance structure led by a group of partners possessing extensive audit experience and technical expertise. The audit team is structured with clearly defined roles, including leading audit partner and quality reviewer. The lead partner has over 16 years of experience auditing financial statements for Hong Kong listed companies across diverse sectors such as real estate, investment and asset management, film and entertainment production, and industrial manufacturing. A dedicated quality control partner within Rongcheng will review the financial statements, ensuring accountability for audit quality and adherence to ethical requirements. The Audit Committee has reviewed Rongcheng’s organisational structure and is satisfied that it establishes clear reporting lines, effective delegation of authority, and robust accountability mechanisms. The Audit Committee had also critically assessed the qualifications and internal resources of Rongcheng which many professional managers and staff of Rongcheng previously worked in reputable international accounting firms who had ample experience in performing annual audit for listed companies. Similar to other reputable accounting firms in the industry, Rongcheng’s governance arrangements align with public interest, ensuring the audit function prioritizes accuracy, transparency, and integrity. It is concluded that these governance arrangements, supported by appropriate independence safeguards and adequate resources, enable Rongcheng to perform its audit function effectively and in the public interest.

- Compliance with relevant ethical requirements:** Rongcheng has committed to provide quality service and comply with all the requirements of HKSQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and independence assessment in accordance with the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certificate Public Accountants. Prior to the appointment as auditor, Rongcheng conducted internal conflict checks for all audit staff and performed independence assessments, including necessary company and background searches, to ensure no potential conflicts of interest or threats exist between the firm and the Company. Rongcheng has confirmed to the Audit Committee that there are no proposed non-audit services, financial relationships, business relationships, or personal relationships between the audit engagement team members and the Company that might impair independence. The Audit Committee has also conducted its own background checks on Rongcheng through online verification, inquiries, and a review of Rongcheng’s audit plan and is satisfied that no relationships or circumstances exist that could impair their independence.
- Industry and technical competence:** The audit engagement will be led by a partner with more than 16 years of experience in auditing Hong Kong listed companies across a wide range of industries. The financial statements will undergo a secondary review by a Rongcheng quality control partner with substantial experience in reviewing financial statements of listed companies. Team members at managerial level and above are qualified CPAs, while other team members bring extensive audit backgrounds. The Audit Committee has reviewed the backgrounds of the proposed audit team and is satisfied that the team possesses sufficient technical knowledge and experience to audit the Company in compliance with applicable accounting standards and the Listing Rules.
- Engagement performance:** The Audit Committee has discussed and reviewed Rongcheng’s proposed audit plan, including its risk assessment approach, materiality thresholds, planned audit procedures, methodology, timetable, and the allocation of budgeted audit hours by staff seniority. The Audit Committee has confirmed that the audit plan is designed to comply with applicable auditing standards. Rongcheng has confirmed that the engagement team will, as a minimum, comprise an audit in-charge, a second partner as engagement quality reviewer, and several team members including an audit manager, senior, and junior staff. Through inquiry, it is noted that the seniority of staff assigned will be comparable to that of CCTH. The partners in charge have over 16 years of audit experience, particularly with listed companies in businesses similar to the Company’s. The Audit Committee is satisfied that Rongcheng’s proposed team structure comprises sufficient professionals with appropriate oversight, technical rigour, and execution capacity to perform a high-quality audit.
- Communication and interaction with the Audit Committee:** The Audit Committee has met with Rongcheng prior to its engagement. In addition, the Rongcheng will meet with the Audit Committee to report key audit issues prior to finalisation of the financial statements;

- **Monitoring process:** The Audit Committee was not aware of any behaviour or activities of Rongcheng which will threaten the integrity, objectivity and independence of Rongcheng which will bring material adverse effect to the audit.
- (2) the “Guidance Notes on Change of Auditors” published by AFRC in September 2023;
- (3) CCTH has not commenced audit work for FY2026. The proposed timetable to complete the audit for FY2026 by Rongcheng is as follows:

Phase	Timeline	Key procedures and steps	Status
Planning	March to Early April 2026	– finalise the audit plan and meeting between the lead partner and the management of the Company	– Complete the audit plan planning and meeting with the management
Audit field work	Mid April 2026	– perform walk-through analysis	– Completed
	April to June 2026	– prepare draft financial statements – engage in meeting with management to discuss key audit areas and audit queries	– In progress
Finalisation	Late June 2026	– report audit results, findings and audit opinions to the Audit Committee during the audit completion meeting	
Announcement and reporting	End of June 2026	– sign off auditor’s report	
		– issue of annual results announcement	

The Audit Committee has reviewed the timetable above. The audit progress remains on the track as at the date of this announcement.

- (4) Rongcheng's overall audit approach sets out a clear scope and tailored direction for the FY2026 audit. Having reviewed its audit approach and profiles of the engagement partner and allocated team members, the Audit Committee is satisfied that the audit engagement team has sufficient resources, expertise and time to perform high-quality audits; and
- (5) the audit fee quotations of 3 accounting firms, including Rongcheng, CCTH and an independent audit firm.

Having assessed (i) the aforementioned factors relevant to audit quality; and (ii) the resource allocation by Rongcheng, 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. The change of auditor would be in the best interests of the Company and its shareholders, and would support the Company's objective of improving audit efficiency, strengthening governance standards, and ensuring timely compliance with applicable listing and regulatory requirements.

All other information contained in the Announcement 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.

By order of the Board
Man Sang International Limited
HU XINGRONG
Chairman

Hong Kong, 4 June 2026

As at the date of this announcement, the executive Directors are Mr. Hu Xingrong (Chairman) and Ms. Cong Wenlin; and the independent non-executive Directors are Ms. Pau Yee Ling, Mr. Wong Kwan Kit and Ms. Zhou Hong.