Hanhua Financial Holding Co., Ltd.
瀚 華 金 控 股 份 有 限 公 司

(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 3903)

RESIGNATION OF AUDITOR
AND
CONTINUED SUSPENSION OF TRADING

This announcement is made by Hanhua Financial Holding Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), Rules 13.09(2) and 13.49(3) of the Listing Rules, and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company in relation to, among other matters, the Incident dated 25 March 2025, the delay in publication of the annual results of the Group for the years ended 31 December 2024 dated 27 March and 12 May 2025, the trading halt dated 28 March 2025, the delay in publication of the interim results of the Group for the six months ended 30 June 2025 dated 27 August 2025, the updates on resumption progress dated 26 June, 28 August, 26 September and 24 December 2025 and 23 March 2026 (collectively, the "**Previous Announcements**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Previous Announcements.

RESIGNATION OF AUDITOR

The board (the "**Board**") of directors (the "**Directors**") of the Company announces that, on 15 June 2026, the Company received a letter of resignation (the "**Resignation Letter**") from KTC Partners CPA Limited ("**KTC**") in relation to its resignation as the auditor of the Company with immediate effect from 15 June 2026 (the "**Resignation**").

In the Resignation Letter, KTC stated that it commenced audit work in January 2025 and had maintained ongoing communications with the management of the Company. KTC referred to its letter to the audit committee of the Company (the "**Audit Committee**") dated 12 June 2026 (the "**Audit Issues Letter**") and stated that it has experienced delays in obtaining certain requested information from the management.

In the Audit Issues Letter, KTC stated that, at an informal meeting held on 26 April 2026, it had raised a number of significant audit matters with the management of the Company. KTC considered these matters to be directly relevant to its ability to obtain sufficient appropriate audit evidence and to determine whether it was in a position to form an audit opinion on the consolidated financial statements of the Group for the years ended 31 December 2024 and 31 December 2025.

The outstanding audit matters set out in the Audit Issues Letter are as follows:

1. the nature, commercial substance and use of funds in relation to substantial transactions and debt assignment arrangements between the Group and Liaoning Fuan Financial Assets Management Co., Ltd.* (遼寧富安金融資產管理有限公司) ("**Liaoning Fuan**") concerning certain debt projects. KTC noted that Liaoning Fuan acquired three debt portfolios, of which two debt portfolios covering seven debt packages and the Xinjiang Beikong project (新疆北控項目) have fallen due but remained unrecovered at the Liaoning Fuan level, and demand letters had been issued to the Group.

2. impairment losses were recognised for the year ended 31 December 2024 in respect of loans and advances, trade and other receivables and factoring receivables, for which KTC had not yet been provided with a reasonable basis and sufficient supporting documentation to support their recognition and measurement.

KTC requested the management and the relevant parties to provide, as soon as possible, the following:

(i) investigation or assessment reports by management and/or external professionals on the above outstanding matters, including detailed explanations and supporting documentation for the nature and commercial substance of the transactions and debt assignment arrangements with Liaoning Fuan and the basis and support for the impairment provisions;

(ii) any judgments, indictments or any other legal documents concerning the alleged misappropriation of funds in the Liaoning Fuan matter, including documents involving or referring to senior executives such as Mr. Zhang Guoxiang (張國祥先生) (the then executive Director) and Mr. Ren Weidong (任為棟先生) (the then vice president, chief financial officer and company secretary of the Company); and

(iii) an updated forensic investigation report or other supplementary materials subsequent to 31 December 2025 to identify any similar or related transactions or fund movements after year end.

KTC stated that, as at the date of the Audit Issues Letter, it had not received the information and supporting documents needed to complete its audit procedures, and based on the materials currently available, it was not able to conclude on the implications of the significant findings in the forensic report, the appropriateness of the impairment provisions, or any further impact of these matters on the consolidated financial statements of the Group.

KTC stated in the Resignation Letter that, in view of the current progress of the audit procedures and the timetable determined by the management of the Company, it was unable to complete the audits of the consolidated financial statements of the Group for the years ended 31 December 2024 and 31 December 2025 within the required timeframe without incurring significant additional resources and costs. After due and careful consideration, KTC resigned as the auditor of the Company.

BOARD AND AUDIT COMMITTEE'S RESPONSE

The Board and the Audit Committee take the matters raised by KTC seriously. The Board and the Audit Committee will continue to coordinate with the management of the Company, the independent forensic investigator and the legal advisers of the Company to address the outstanding audit matters, assess the impact of the relevant matters on the Group's financial position and performance, facilitate the completion of the outstanding audit procedures by the potential succeeding auditor and keep the Shareholders and potential investors informed of material developments by way of further announcement(s) as and when appropriate in accordance with the Listing Rules.

KTC has confirmed in the Resignation Letter that, save for the circumstances described above and having regard to the fact that they have not completed the audits of the consolidated financial statements of the Group for the years ended 31 December 2024 and 31 December 2025, they are not aware of any other matters in relation to this change of auditor that need to be brought to the attention of the holders of securities or creditors of the Company. Save as disclosed above, the Board and the Audit Committee are not aware of any other disagreement or unresolved matter between the Company and KTC in respect of the Resignation that needs to be brought to the attention of the holders of securities or creditors of the Company.

APPOINTMENT OF NEW AUDITOR

The Company is in the process of identifying a suitable replacement to fill the casual vacancy following the Resignation. Further announcement(s) in relation to the appointment of the new auditor of the Company will be made by the Company as and when appropriate in accordance with the Listing Rules, the articles of association of the Company and applicable laws and regulations.

The Board and the Audit Committee are committed to support the work of potential succeeding auditor to facilitate the completion of the audits of the Group's consolidated financial statements for the years ended 31 December 2024 and 31 December 2025 and the publication of the outstanding financial results and reports of the Company as soon as practicable.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 1:29 p.m. on 27 March 2025 and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares or other securities of the Company.

By order of the Board
Hanhua Financial Holding Co., Ltd.
Cheng Juan
Chairman of the Board

Chongqing, the PRC, 16 June 2026

As at the date of this announcement, the executive Director is Ms. Cheng Juan; the non-executive Directors are Mr. Zhu Guangbo, Mr. Xi Yao and Mr. Liu Bolin; and the independent non-executive Directors are Ms. Zhan Ziqiong, Mr. Li Wei, Mr. Wang Zhifeng and Mr. Zhang Weihua; and the employee Director is Ms. Yang Guixiang.