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LC Logistics, Inc.
乐舱物流股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2490)

CHANGE OF AUDITORS

This announcement is made by the board (the "**Board**") of directors (the "**Director(s)**") of LC Logistics, Inc. (the "**Company**") 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**").

RETIREMENT OF AUDITOR

The Board hereby announces that the Board and the audit committee of the Board (the "**Audit Committee**") have received a letter (the "**Letter**") dated 25 June 2026 from Ernst & Young ("**EY**") stating that they would not be seeking re-appointment (the "**Retirement**") as the auditor of the Company for the year ending 31 December 2026 at the forthcoming annual general meeting of the Company (the "**AGM**"). As stated in the Letter, EY communicated to the Company the proposed fee for the audit of the Group's consolidated financial statements for the year ending 31 December 2026, after considering the complexity of the business, audit scope, audit timetable, and auditor resources, and communicated the basis of the proposed fee with the audit committee of the Company. EY understood from the directors of the Company that they could not agree with the fee proposal after consideration of the plans to implement effective cost control and reduction of operating expenses. Accordingly, EY will retire as the auditor of the Company with effect from the conclusion of the AGM and will not be re-appointed.

The Board wish to inform the shareholders of the Company that after considering the Group's continuous strategy in implementing effective cost control measures, the Board could not agree with the fee increment proposed by EY.

The Company will not proceed with the resolution relating to the appointment of the auditor of the Company at the AGM. Accordingly, the relevant resolution numbered 3 as set out in the notice of AGM dated 28 April 2026 (the "**AGM Notice**") will not be put forward for consideration and approval by the shareholders of the Company at the AGM.

EY has confirmed that there are no other circumstances connected with the Retirement that should be brought to the attention of the shareholders or creditors of the Company. The Board and the Audit Committee have confirmed that there is no disagreement between EY and the Company, and there is no other matter in respect of the Retirement that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its sincere gratitude to EY for its services rendered to the Company over the past years.

APPOINTMENT OF AUDITOR

The Board hereby announces that, based on the procurement and selection result and with therecommendation from the Audit Committee, the Board proposed to appoint Baker Tilly HongKong Limited ("**Baker Tilly**") as new auditor of the Company following the retirement of EY with effect from the conclusion of an extraordinary general meeting to be convened and held after the for the coming EGM (the "**EGM**") and until the conclusion of the next annual general meeting of the Company, subject to the approval by the Shareholders at the EGM.

The Audit Committee has considered a number of factors in assessing the appointment of Baker Tilly as the auditor of the Company, including but not limited to (i) the audit proposal and audit fee proposed by Baker Tilly, which would allow the Company to meet its cost management objectives; (ii) Baker Tilly's extensive experience, industry knowledge and technical competence in providing audit services for companies listed on the Stock Exchange, and its familiarity with the requirements under the Listing Rules; (iii) its independence from the Group and objectivity; (iv) its reputation in the market; (v) its resources and capabilities, including but not limited to manpower and time commitment; and (vi) the relevant guidelines issued by the Stock Exchange and the Accounting and Financial Reporting Council.

Based on the above factors, the Audit Committee has assessed and considered that Baker Tilly is independent, suitable and capable (in terms of manpower, expertise, time and other resources) to act as the auditor of the Company. The Board and the Audit Committee are of the view that the change of auditor would not have any material impact on the Group and would enhance the cost-effectiveness of the Company's annual audit while maintaining audit quality, and is in the interests of the Company and the Shareholders as a whole.

The estimated audit fee for the year ending 31 December 2026 is RMB1.7 million, which is determined with reference to the proposed audit scope, the Group's current size, complexity and risk profile and the expected level of effort and timeline of the audit, and on the assumption that there will be no material change to the Group's business. The Audit Committee noted that the proposed audit fee is determined after arm's length negotiations. The Audit Committee and the Board consider that the proposed appointment of Baker Tilly is driven by the aforementioned synergy and efficiency rather than cost considerations, and that the estimated audit fee is commensurate with the audit effort required to maintain a high standard of audit quality. The Board and the Audit Committee have reviewed the qualifications, competence and experience of Baker Tilly and consider that Baker Tilly (i) meets the regulatory requirements, and (ii) is eligible and suitable to act as the auditor of the Company.

Subject to the satisfactory completion of Baker Tilly's client and engagement acceptance procedures, the proposed appointment of Baker Tilly as the auditor of the Company will be put forward for approval by the Shareholders by way of an ordinary resolution at the EGM. The Board would likes the auditor of the Company. to take this opportunity to welcome Baker Tilly on its appointment as the auditor of the Company.

The Company intends to convene and hold the EGM after the AGM for the purpose of considering the proposed appointment of Baker Tilly as the new auditor of the Company. A circular containing, among other things, details of the proposed appointment of Baker Tilly as auditor of the Company, together with a notice of the EGM, will be despatched to the shareholders of the Company in due course.

By Order of the Board
LC Logistics, Inc.
Mr. Xu Xin
Chairman of the Board

Hong Kong, 25 June 2026

As at the date of this announcement, the Board comprises Mr. Xu Xin, Ms. Li Yan, Ms. Zhu Jiali and Mr. Yu Zhenrong as executive Directors, and Dr. Gu Lin, Dr. Yang Kequan and Mr. Qi Yinliang as independent non-executive Directors.