HAN'S CNC
大族數控

SHENZHEN HAN'S CNC TECHNOLOGY CO., LTD.
深圳市大族數控科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3200)

Adoption of China Accounting Standards for Business Enterprises for the Preparation of Financial Reports and Termination of Appointment of Overseas Financial Report Auditor

This announcement is made by the board of directors (the "**Board**") of Shenzhen Han's CNC Technology Co., Ltd. (the "**Company**") pursuant to Rule 13.51 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (the "**Hong Kong Listing Rules**").

Adoption of China Accounting Standards for Business Enterprises for the Preparation of Financial Reports

The Company is listed on both the Shenzhen Stock Exchange and the Hong Kong Stock Exchange, and prepares its financial reports and discloses relevant financial information in accordance with China Accounting Standards for Business Enterprises ("**CASBE**") and International Financial Reporting Standards ("**IFRS**"), respectively. Pursuant to Rule 4.11(c) and Rule 19A.31(4) of the Hong Kong Listing Rules, an issuer incorporated in Mainland China as a joint stock company with limited liability and listed on the Hong Kong Stock Exchange (the "**PRC Issuer(s)**") may adopt CASBE to prepare its financial reports, and if the PRC Issuer's primary listing is on the Hong Kong Stock Exchange, its annual accounts may be audited by a PRC firm of practicing accountants which under the mutual recognition agreement, has been approved by China Ministry of Finance and the China Securities Regulatory Commission (the "**CSRC**") as being suitable to act as an auditor or a reporting accountant for a PRC Issuer and is a Recognized PIE Auditor (as defined under the Hong Kong Listing Rules) under section 20ZT of the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong) on the condition that the PRC Issuer has adopted CASBE for the preparation of its annual financial reports.

In view of the substantial convergence between financial reports prepared in accordance with CASBE and IFRS, and in order to further enhance the efficiency of information disclosure, streamline the financial report preparation process and reduce disclosure costs, the Company proposes to adopt CASBE for the preparation of its financial reports and the disclosure of relevant financial information, commencing from its interim financial report of 2026. Such adoption will not have any material impact on the Company's operating results or financial position, nor will it cause any adverse effect on the preparation and disclosure of the Company's financial reports.

Termination of Appointment of Overseas Financial Report Auditor

Ernst & Young (the "**EY**") currently serves as the overseas financial report auditor of the Company, providing audit services for the Company's financial reports prepared in accordance with IFRS, with a term of office of one year commencing from the date of approval at the 2025 annual general meeting. In view of the fact that the Company will adopt CASBE for the preparation of its financial reports, and that RSM China CPA LLP (the "**RSM China**"), the existing domestic financial report auditor of the Company for the year 2026, has been recognised by the China Ministry of Finance and the CSRC and is qualified to provide audit services to PRC Issuers, the Board accordingly proposes to terminate the appointment of EY as the overseas financial report auditor of the Company.

With reference to Section 200 "Changes in a Professional Appointment" and Section 300 "Change of Auditors of a Listed Issuer of The Stock Exchange of Hong Kong" of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants, EY confirms that, up to the date of this announcement, it has neither been engaged nor commenced any audit work for the year ended 31 December 2026. EY further confirms that, save for the above, it does not have any matter relating to the termination of the appointment of the overseas financial report auditor that needs to be brought to the attention of the shareholders or creditors of the Company. The Company and EY have no disagreement in respect of the termination of the appointment of the overseas financial report auditor.

The adoption of the CASBE for the preparation of financial reports and the termination of the appointment of the overseas financial report auditor are subject to consideration by the second extraordinary general meeting of the Company for 2026 (the "**EGM**"), and shall become effective upon approval by the EGM. Upon approval by the EGM, RSM China will become the sole auditor of the Company to audit the Company's financial reports in accordance with CASBE, and will concurrently assume the responsibilities of both the domestic and overseas financial report auditor.

Opinion of the Audit Committee

The audit committee of the Board (the "**Audit Committee**") is of the view that the adoption of the CASBE for the preparation of the Company's financial reports is conducive to enhancing the efficiency of information disclosure, streamlining the financial report preparation process, and reducing disclosure costs and audit fees, and will not have any material adverse effect on the truthfulness and accuracy of the financial reports or on investors' decision-making. The procedures for the termination of the appointment of EY, the overseas financial report auditor, are in compliance with laws, regulations and relevant rules as well as the actual needs of the Company, and there is no disagreement between the two parties, and no circumstance that would prejudice the interests of the Company and its shareholders. Accordingly, the Audit Committee agrees that the Company shall, commencing from its 2026 interim report, adopt the CASBE for the preparation of its financial reports, and terminate the appointment of the overseas financial report auditor.

General

A circular containing, among other things, details of the adoption of the CASBE for the preparation of financial reports and the termination of the appointment of the overseas financial report auditor, together with a notice of the EGM, has been published on the website of HKEXnews (www.hkexnews.hk) and the website of the Company (www.hanscnc.com).

By order of the Board
Shenzhen Han's CNC Technology Co., Ltd.
Mr. Yang Chaohui
Chairman of the Board and Executive Director

Shenzhen, China
13 July 2026

As at the date of this announcement, the Board comprises Mr. Yang Chaohui as an executive director, Mr. Zhang Jianqun, Mr. Zhou Huiqiang, Mr. Du Yonggang and Ms. Huang Linting as non-executive directors, and Mr. Qiu Yunliang, Ms. Li Weiwei, Dr. Xin Guosheng and Ms. Xia Liya as independent non-executive directors.