RONGTA

Rongta Technology (Xiamen) Group Co., Ltd.
容大合眾(廈門)科技集團股份公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9881)

PROPOSED APPOINTMENT OF AUDITOR

This announcement is made by Rongta Technology (Xiamen) Group Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

References are made to the announcements of the Company dated 31 March 2026, 9 April 2026, 16 April 2026, 27 April 2026, 30 April 2026, 29 May 2026 and 12 June 2026, regarding, among other things, the delay in publication of the Annual Results and the suspension of trading in the shares of the Company and the proposed removal of auditor of the Company (collectively, the "**Announcements**"). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

PROPOSED APPOINTMENT OF AUDITOR

The Board of the Company announces that, subject to the passing of the relevant resolution at an extraordinary general meeting of the Company (the "**EGM**") to be convened and held, HLB Hodgson Impey Cheng Limited ("**HLB**") shall be appointed as the auditor of the Company to fill the casual vacancy following the Proposed Removal and to hold office until the conclusion of the next annual general meeting of the Company (the "**Proposed Appointment**").

HLB has formulated a proposed audit plan with a clear audit timetable, which has been reviewed by the Audit Committee. The Audit Committee assessed that the proposed scope of audit work is adequate to address the key risk areas identified by the previous auditor, including the Subject Transactions, and that the allocated resources and timeline are sufficient to complete the audit to the required quality standards. The Audit Committee considered that the audit work can be resumed and completed as soon as possible with a clear audit timetable and having the Annual Results published as soon as possible.

When assessing the selection of HLB for recommendation to the Board as the new auditor of the Company, the Audit Committee has taken into account the criteria set out in the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors published by the Accounting and Financial Reporting Council. In particular, the Audit Committee has considered the following factors:

(i) **Governance and leadership** – The Audit Committee reviewed HLB's governance structure and leadership, finding a strong commitment to audit quality and the public interest. The firm's organisational structure and experienced staff, many with backgrounds in Big Four firms, support effective oversight and resource allocation for high-quality audits. The Audit Committee critically assessed the qualifications and internal resources of HLB and found them sufficient for the Group's needs. Overall, the Audit Committee is satisfied that HLB's governance and leadership arrangements ensure accountability, transparency, and the delivery of high-quality audits.

(ii) **Capabilities and resources** – HLB has assigned an adequately resourced audit team to complete the audit work. The audit team is headed by an engagement director who will oversee the overall execution, allocation of audit resources and monitor project milestones. A quality control partner has been designated to oversee compliance with all applicable professional standards. A mixture of experienced technical manager, audit managers and staff accountants are designated to perform audit field work. After due consideration, the Audit Committee was satisfied that the core audit team of HLB has sufficient capabilities and resources, including expertise and time to perform quality audits.

Given that the previous auditor was dissatisfied with the findings of the independent forensic investigation, the Audit Committee specifically assessed HLB's capability to independently evaluate such findings. The Audit Committee discussed with HLB its proposed approach to (a) reviewing the scope and methodology of the independent investigation; (b) assessing the reliability of the forensic findings; and (c) performing additional audit procedures where necessary. The Audit Committee was satisfied that HLB possesses sufficient forensic expertise and maintains independence from the independent forensic investigation team to form an independent judgment on the Subject Transactions.

(iii) **Compliance with relevant ethical requirements** – The Audit Committee has assessed and considered HLB is independent from the Company. The Audit Committee, having understood from meeting with HLB audit team that, HLB maintains specific policies and an independence management system to monitor and in compliance with the Code of Ethics for Professional Accountant requirements. The Audit Committee was satisfied that HLB would act with integrity, and exercise objectivity and professional skepticism.

(iv) **Industry knowledge and technical competence** – HLB serves numerous listed companies across different industries with a team of certified accountant staff and experienced staff. The Audit Committee also considered that the key partners across Hong Kong and PRC possess a wealth of experience ranging from over 20 years in auditing listed companies across different industries. The Audit Committee discussed with HLB and confirmed that they have sufficient competent staff to provide a high-quality audit. In addition, the Audit Committee has reviewed and discussed with HLB about their audit plan and the audit timeline which would be sufficient to provide a quality audit.

(v) **Engagement performance –** HLB proposed a viable timetable for completion of the audit of the Annual Results, including the allocation of time and resources to each audit phase. The Audit Committee was satisfied that the proposed timetable is viable, subjecting to ongoing monitoring of progress against milestones.

(vi) **Communication and interaction with the Audit Committee –** The Audit Committee held discussions with HLB regarding the proposed audit plan, timetable, and resource allocation. The Audit Committee raised inquiries concerning HLB's approach to the Subject Transactions, its assessment of the forensic investigation findings, and its independence from the previous auditor's concerns. HLB's responses were reviewed by the Audit Committee, which was satisfied that the communication was adequate for the Audit Committee to form an independent judgment on the appointment.

(vii) **Monitoring process –** The Audit Committee has established a framework for ongoing monitoring of HLB's audit engagement, which includes: (a) regular updates from HLB on audit progress against milestones; (b) review of significant audit findings and judgments prior to the issuance of the audit report; and (c) assessment of HLB's adherence to professional standards and ethical requirements throughout the engagement. As at the date of this announcement, and based on enquiries made to HLB and review of available information, the Audit Committee is not aware of any behavior or activities from HLB that would threaten its integrity, objectivity and independence.

The Audit Committee therefore considered that HLB is independent, competent and capable to act as the auditor of the Company.

THE AUDIT PLAN AND TIMETABLE BY HLB

HLB has developed a concise, materiality driven and risk-based audit plan tailored to the Group's operations and financial reporting risks. The approach begins with understanding the Group's business, internal controls and key risk areas, particularly the issues of the Subject Transactions, and focuses audit work on the subsidiaries and relevant transactions most likely to affect the financial statements.

The following proposed audit plan and timetable is provided by HLB:

Phase	Estimated Period	Audit Plan
Pre-transition preparation	July 2026	– Preliminary preparations for the audit transition – Meet and communicate with management of the Company to gain further insight into the Group's internal and external operating environments, risks, and key financial indicators of interest to management

Phase	Estimated Period	Audit Plan
Implement the transition plan, identify risks of material misstatement, and formulate the audit plan	July to August 2026	– Execute and complete the audit transition procedures – Determine the scope of the audit for the year ended 31 December 2025; Identify significant account balances, transactions, and disclosures in the financial statements; and identify associated risks – Report the audit plan to management of the Company and the Audit Committee – Understand the key business cycles and business processes of the Group, and identify and evaluate relevant internal controls
Audit Fieldwork, communication with management and Audit Committee on key audit findings	August to September 2026	– Conduct audit fieldwork – Perform substantive audit procedures – Review the Report of the Independent Investigation and working papers, and execute additional audit procedures if necessary – Discuss with management regarding significant audit matters, particularly in areas involving significant assumptions, judgments, or estimates
Report the audit results and sign the audit report	October 2026	– Substantially complete all key audit procedures and internal quality control review – Summarize audit findings, communicate them to management, and assess their overall impact on the financial statements – Discuss major audit findings and the draft audit opinion to management of the Company and the Audit Committee – Discuss major findings related to the Annual Results – Provide management recommendations to the management of the Company if necessary

The Company expects to publish the Annual Result Announcement in or before October 2026 following the completion of the audit procedures by HLB.

HLB is fully aware of the details of the Independent Investigation and the above proposed audit timetable of HLB has taken into consideration the time necessary to review and, if necessary, execute additional audit procedures on the Independent Investigation.

After reviewing the overall audit strategy of HLB, which sets out the scope, timing, and direction of the audit, the Audit Committee is satisfied that the proposed plan and timeline are adequate and reasonable. In particular, the Audit Committee considers that (i) sufficient time has been allocated for each audit phase notwithstanding the change of auditor; (ii) the proposed timetable is reasonable and allows HLB to complete all necessary procedures without compromising audit quality; (iii) the resources committed by HLB are adequate to achieve the proposed timetable.

The proposed audit fee for auditing Annual Results proposed by HLB is approximately HK$2.83 million, taking into account the complexity of the Company's business, the expected scope and timetable of audit, the qualifications, experience and audit resources of HLB and audit issues identified by PwC as stated in their letter to the Board of Directors and the Audit Committee dated 23 June 2026.

THE EGM

The EGM will be convened and held for the purposes of considering and, if thought fit, approving the Proposed Appointment. A circular containing further information on the Proposed Appointment, together with the notice of the EGM, is expected to be despatched to the Shareholders in due course.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2026 and will remain suspended until the Company publishes the Annual Results.

Shareholders of the Company and potential investors should exercise caution when dealing in the Company's shares.

By order of the Board
Rongta Technology (Xiamen) Group Co., Ltd.
Xu Kaiming
Chairman and Executive Director

Hong Kong, 4 August 2026

As of the date of this announcement, the executive directors of the Company are Mr. Xu Kaiming, Ms. Lin Yanqin and Mr. Fu Jianfang; the employee representative director of the Company is Ms. Chai Ling; and the independent non-executive directors of the Company are Dr. Lim Kim Huat, Dr. Huang Liqin and Dr. Lai Shaojuan.