HENG TAI CONSUMABLES GROUP LIMITED
亨泰消費品集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00197)

APPOINTMENT OF AUDITOR

This announcement is made by the board of directors (the "**Board**") of Heng Tai Consumables Group Limited (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.

References are made to the circular of the extraordinary general meeting ("**EGM**") of the Company dated 12 August 2026 (the "**Circular**"), the notice of the EGM dated 12 August 2026, announcement of Company dated 1 September 2026 in relation to the poll results of the EGM held on 1 September 2026, and the announcement of the Company dated 10 July 2026 (as supplemented by the supplemental announcements of the Company dated 10 July 2026 and 28 August 2026) (the "**Announcements**") in relation to, among other matters, the change of auditor of the Company. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements and Circular.

The Board hereby announces that, with the recommendation of the audit committee of the Company (the "**Audit Committee**"), Infinity CPA Limited ("**Infinity**") be appointed as the new auditor of the Company for the year ended 30 June 2026 (the "**FY2025/26**") with effect from 9 September 2026 to fill the casual vacancy following the resignation of RSM Hong Kong ("**RSM**") and to hold office until the conclusion of the next annual general meeting (the "**AGM**"). The agreed audit fee for the FY2025/26 is HK$1,000,000.

Chronology of key events leading to the appointment of auditor of the Company*(Note)*

Date	Event
1 September 2026	On 1 September 2026, the EGM was held in relation to the appointment of QW CPA as the auditor of the Company. As less than 50% votes were cast in favour for the proposed resolution regarding the appointment of QW CPA as the auditor of the Company, the proposed resolution was not passed as an ordinary resolution by the Shareholders. The Board continues its efforts to identify a suitable auditor to fill the causal vacancy.
2 September 2026	The Audit Committee instructed the Company to seek quotations from other professional accounting firms. The Company invited four professional accounting firms, one of which is Infinity, to provide brief audit fee proposal for the FY2025/26.
4 September 2026	The Company received brief audit fee proposals from Infinity and other professional accounting firms respectively, and discussed with these professional accounting firms to assess their capabilities.
8 September 2026	The Audit Committee discussed with Infinity to understand the audit approach, resources and other relevant information as the proposed incoming auditor. The Audit Committee made recommendation to the Board on the appointment of auditor.
9 September 2026	The Board, after due consideration and with the recommendation from the Audit Committee, resolved to appoint Infinity as the auditor of the Company to fill casual vacancy.

Note: In relation to the resignation of RSM and appointment of new auditor before 10 July 2026, please refer to the announcement of the Company dated 10 July 2026 for further details.

FACTORS CONSIDERED BY AUDIT COMMITTEE

Difference between Audit Fees

Four professional accounting firms provided brief audit fee proposals to the Company for the FY2025/26 audit. The fee quotations range was from HK$900,000 to HK$1,600,000.

Among which, the audit fee proposed by Infinity for the audit services to the Company for the FY2025/26 is estimated to be approximately HK$1,000,000, represents the most competitive option, reflecting its capacity to ensure an efficient allocation of resources and competitive pricing. The Audit Committee reviewed Infinity's staffing plan, which includes engagement partner involvement, experienced audit staff, and the targeted use of specialists where necessary. The Audit Committee noted that Infinity's approach draws on its prior experience with companies of similar scale and industry, enabling it to deliver high-quality audit services in a cost-efficient manner. Accordingly, the agreed fee is considered cost-effective and appropriate for the Group's size, complexity, and risk profile.

Furthermore, the estimated audit fee assumes that there will be no material changes in the Group's businesses and operations, accounting policies or regulatory environment, and that the Company will provide timely and adequate assistance and information as required for the audit.

Save for the abovementioned, the Audit Committee and the Board also considered the following factors after due consideration and arm's length negotiations between the Company and Infinity:

(i) Current business environment and complexity

The Group has been affected by current uncertain business environment and economy since the FY2024/25. The Audit Committee assessed the FY2025/26 audit fee proposed by Infinity, and considered it was commensurate with the size and the structure of the Group, as well as the nature and complexity of the Group business and operations. The Group's revenue decreased from approximately HK$238,310,000 to HK$158,303,000 during the six months ended 31 December 2025, representing a decline of about 34%. Furthermore, based on the six months ended 31 December 2025, no revenue generated from the securities brokerage and margin financing business. The Audit Committee considered that the Group's scale of operations and business activities had reduced compared with the previous year, and therefore the audit procedures were correspondingly reduced.

In light of the above, the Audit Committee considered that the reduction in the audit fee was reasonable and commensurate with the Group's reduced scale of operations, business activities and overall financial performance.

(ii) Market positioning and tier profile

The substantial difference between the audit fees quoted by Infinity and other three professional accounting firms is primarily attributable to their different market positioning and brand profiles. The brief audit fee proposal of Infinity (ranks second among the four professional auditing firms) adopts a balanced pricing strategy aligned with its service scope without excessive brand premium or aggressive low-cost bidding. The fee disparity among the four audit firms represents a normal commercial variance stemming from each practitioner's market status, overhead arrangements and resourcing policies, rather than any anticipated gap in audit coverage or professional standard. The Audit Committee has considered the fee proposed by Infinity is reasonable in the context of this tender exercise.

*(iii) Registered public interest entity ("**PIE**") auditors*

All of the four professional accounting firms are PIE auditors under the Accounting and Financial Reporting Council Ordinance (Cap. 588) and are subject to regulatory oversight of the Accounting and Financial Reporting Council. Accordingly, all professional accounting firms are required to comply with the statutory, professional, ethical and independence requirements when undertaking PIE audit engagements. The Audit Committee has considered Infinity's eligibility, resources, capabilities and audit approach and is satisfied that the proposed appointment is appropriate and will not compromise audit quality or scope.

(iv) Manpower and experience

In terms of the composition of the audit engagement team, Infinity currently has one engagement partner, one engagement quality control reviewer, two engagement managers, two seniors, and three staff at semi-senior and junior levels. Furthermore, Infinity has an internal technical department to support audit quality.

The Audit Committee also compared the manpower structure of other audit firms and noted that Infinity has further provided one manager and internal technical support for the engagement. Having considered the staffing composition, the duration and extent of the engagement, and the available cost structure comparisons, the Audit Committee considered that the resources proposed by Infinity were sufficient and appropriate for the audit engagement.

Audit Committee's Assessment of the New Auditor

With reference to the relevant guidelines issued by the Accounting and Financial Reporting Council, including the "Guidance Notes on Change of Auditors" and the "Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors", The Audit Committee and the Board have considered a number of following factors in assessing the appointment of Infinity as the new auditor of the Company:

(i) Governance and leadership

The Audit Committee noted that Infinity has a strong governance framework and leadership culture that emphasises accountability and transparency. Engagement partner is directly involved in overseeing audit engagements, ensuring that audit quality is consistently monitored. The firm's leadership has demonstrated its ability to manage complex audits of listed companies, enforce professional standards across teams, and maintain a culture of integrity and independence.

(ii) Compliance with relevant ethical requirements

Infinity has confirmed full compliance with the Code of Ethics for Professional Accountants and all independence requirements under applicable regulations. The firm has provided assurance that it will not provide non-audit services to the Group, thereby safeguarding independence and objectivity. The Audit Committee also reviewed Infinity's internal independence monitoring processes, including partner rotation, conflict of interest checks, and periodic internal reviews, and found them robust and effective in preventing threats to independence.

(iii) Industry knowledge and technical competence

Infinity possesses extensive experience in auditing companies of comparable size and industry profile. Its audit team includes professionals with deep technical expertise in complex accounting standards, risk management, and regulatory reporting.

As at the date of this announcement, Infinity is the auditor for 18 PIE engagements.

The Audit Committee is satisfied that Infinity's industry knowledge and technical competence are sufficient to address the Group's operational complexities, including sector-specific risks, international accounting requirements, and evolving regulatory expectations.

(iv) Engagement performance

Infinity has committed adequate resources to the FY2025/26 audit, including direct involvement of engagement partner, allocation of experienced staff, and deployment of specialists where necessary. The Audit Committee reviewed the proposed staffing plan and confirmed that sufficient resources will be deployed to ensure timely and effective completion of the audit. The firm's resource allocation demonstrates efficiency without compromising audit quality, and the Audit Committee is satisfied that the engagement performance will meet expectations.

(v) Communication and interaction with the Audit Committee

Infinity has established clear communication protocols with the Audit Committee, including scheduled meetings, regular updates, and prompt responses to queries. The Audit Committee is satisfied that Infinity's approach will facilitate transparency, effective oversight, and constructive dialogue throughout the audit process. This proactive engagement will ensure that key issues are addressed promptly, that audit progress is monitored closely, and that the Audit Committee is kept fully informed of audit developments.

(vi) Monitoring process

Infinity maintains comprehensive internal quality control and monitoring processes, including compliance with partner rotation requirements, periodic internal reviews, and external inspections. The Audit Committee noted that these processes are designed to safeguard audit quality and independence across all engagements. The firm's monitoring framework provides assurance that the audit of the Group will be conducted in accordance with the highest professional standards, with continuous oversight of audit quality and corrective mechanisms in place to address any deficiencies.

Having considered the above factors and recommendation by the Audit Committee, the Board has resolved to propose the appointment of Infinity as the auditor of the Company for the FY2025/26 and to hold office until the conclusion of the next AGM of the Company.

The Board would like to take this opportunity to express its warm welcome to Infinity on its appointment as the auditor of the Company.

By Order of the Board
Heng Tai Consumables Group Limited
Lam Kwok Hing
Chairman

Hong Kong, 9 September 2026

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Lam Kwok Hing (Chairman), Ms. Lee Choi Lin Joecy, Mr. Chan Cheuk Yu Stephen and Mr. Sun Banggui; and three independent non-executive directors, namely Ms. Mak Yun Chu, Mr. Poon Yiu Cheung Newman and Ms. Chan Wai Ying.