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PHOENITRON

PHOENITRON HOLDINGS LIMITED

品創控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8066)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE CHANGE OF AUDITOR

Reference is made to the announcement of Phoenitron Holdings Limited (the “**Company**”) dated 31 December 2025 (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board would like to provide the following supplemental information in relation to the change of auditor of the Company.

As disclosed in the Announcement, Moore CPA tendered its resignation as auditor of the Company with effect from 30 December 2025, and the Board, upon the recommendation of the Audit Committee appointed GSHK as the new auditor of the Company with effect from 31 December 2025 to fill the casual vacancy arising from such resignation, subject to approval by the Shareholders at the next annual general meeting of the Company.

1. CHRONOLOGY OF CHANGE OF AUDITOR

The change of auditor was not initiated by the Company. Moore CPA first indicated its resignation on 24 December 2025 and formally tendered its resignation letter on 30 December 2025 with effect from the same date.

As to the timing of the change of auditor, the Company notes that although discussions with Moore CPA regarding the FY2025 audit had been ongoing since early September 2025, Moore CPA did not provide its fee quotation until 19 December 2025 and subsequently indicated its decision to resign on 24 December 2025. Upon receiving Moore CPA’s indication of resignation, the Company acted expeditiously (taking into account the intervening Christmas public holidays), such that the meeting of the Board was held on 30 December 2025 and the Announcement was published on 31 December 2025.

The Company has been informed by Moore CPA in its resignation letter that its resignation was attributable to all of the following factors: (i) certain financial information required for Moore CPA’s internal acceptance and continuance procedures remained outstanding up to the date of the resignation letter; (ii) Moore CPA’s fee quotation had not been agreed; and (iii) having considered its available internal resources and the time and effort required, Moore CPA considered that it would not be in a position to revise its fee quotation.

The Company obtained fee proposals from only two audit firms (i.e. Moore CPA and GSHK) due to time constraints. Discussions with Moore CPA had been ongoing since early September 2025. Given the late receipt of Moore CPA’s significantly increased fee quotation on 19 December 2025 and its subsequent indication of resignation on 24 December 2025, the Company had very limited time before the year-end to identify, approach and obtain detailed proposals from additional reputable audit firms while ensuring a smooth transition and maintaining audit quality. The Company therefore focused on GSHK, which had already been approached concurrently and was able to provide a comprehensive proposal promptly.

Below is the chronology of the change of auditors for reference:

Date	Event
Early September 2025 to mid-December 2025	Ongoing discussions with Moore CPA on the 2025 Audit plan and fees, including preliminary assessments of the Group’s e-commerce platform and AI businesses expansion. A physical meeting was held on 15 December 2025. Concurrently, the Company sought and obtained fee quote from GSHK.
19 December 2025	Moore CPA provided its first audit fee proposal of HK\$2,300,000 for the 2025 Audit, representing an approximate three-fold increase over the prior year. Management noted the significant increase and requested a review. On the same day, GSHK submitted a proposal of HK\$1,750,000 (approximately 24% lower), supported by a professional audit plan, IT specialist team profiles, directors/principals profiles (showing Public Interest Entity (“ PIE ”) experience), and proposed staff plan (estimated based on budgeted hours with partners, managers, seniors, staff, and dedicated IT specialists).
22 December 2025	Management continued discussions with Moore CPA on audit scope, resource allocation, and fee negotiation. Moore CPA requested transaction records from the Group’s e-commerce platform to complete internal acceptance/continuance procedures and reiterated that fee revision was unlikely due to increased effort for new businesses. Management requested a fee reduction, which Moore CPA declined.

Date	Event
24 December 2025	<p>The Audit Committee held separate virtual conference calls: one with Moore CPA (discussing expected audit work on e-commerce/AI, fee increase reasons, background, credentials, prior experience/track record); and one with GSHK (detailed evaluation of background, e-commerce/AI audit experience, track record, proposed audit plan, competencies/capabilities, staff plans with IT expertise, IT specialist profiles, and technical support). The Audit Committee then met to assess both proposals, considering factors including audit scope (emphasis on e-commerce/AI), experience, industry knowledge, technical competence, independence, objectivity, resources, and proposed team structure. The Audit Committee concluded that GSHK was preferred due to its extensive e-commerce/AI expertise, efficient risk-based approach, and dedicated in-house IT specialists to address specific risks/complexities. The Audit Committee recommended the GSHK appointment to the Board. On the same day, Moore CPA indicated its intention to resign, citing the non-acceptance of its proposed fee and its assessment of internal resource constraints as the reasons for its resignation.</p>
30 December 2025	<p>Moore CPA formally tendered its resignation as auditor with effect from 30 December 2025, communicated to the Audit Committee and Board. In its resignation letter, Moore CPA stated the following factors for its resignation: (i) certain financial information required for Moore CPA's own internal acceptance and continuance procedures remained outstanding up to the date of the resignation letter; (ii) the Company did not accept Moore CPA's fee quotation; and (iii) after careful consideration of its available internal resources and the time and effort required, Moore CPA would not be in a position to revise its fee quotation. Moore CPA's professional clearance letter dated 30 December 2025 also confirmed that it was not aware of any professional reason or circumstance why GSHK should not accept appointment as auditor of the Company. The Board met to review the Audit Committee's recommendation, fee proposals, GSHK's audit plan/supporting documents. Factors included audit scope (e-commerce/AI emphasis), management representations on prior inquiries to Moore CPA, technical/industry experience (GSHK's stronger e-commerce/IT familiarity), resources, preliminary plan, and fee differences. The Board concurs with the views of the Audit Committee and considers that the appointment of GSHK as the new auditor of the Company is in the interests of the Company and the Shareholders as a whole. The Board approved the appointment of GSHK as the auditor of the Company with effect from 31 December 2025 to fill the casual vacancy, subject to Shareholder approval at the next annual general meeting.</p>

Date	Event
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31 December 2025	The Company published the Announcement.
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2. AUDIT FEES PROPOSED BY MOORE CPA AND THE AUDIT FEE AGREED WITH GSHK

The Audit Committee conducted a review of the fees proposed. A breakdown is set out below:

Auditor	Proposed/Agreed Fee
Moore CPA	HK\$2,300,000
GSHK	HK\$1,750,000

3. THE MAJOR FACTORS UNDERLYING THE DIFFERENT FEES BY MOORE CPA AND GSHK AND THE ASSESSMENT OF AUDIT COMMITTEE

To the best of the Directors' information and belief, the major factor underlying the difference in fees is primarily attributable to GSHK's specialised experience, which enables greater reliance on control testing, the utilization of dedicated IT specialists (with related fees included in the quoted audit fee) and optimised resource allocation.

Moore CPA did not provide elaboration beyond the aggregate fee quotation of HK\$2,300,000, limiting the information available to the lump-sum audit fee of HK\$2,300,000 quoted for the financial year ended 31 December 2025.

In assessing whether GSHK is qualified as the incoming auditor, the Audit Committee has vetted its (a) governance and leadership; (b) compliance with relevant ethical requirements; (c) industry knowledge and technical competence; (d) engagement performance; (e) communication and interaction with the Audit Committee; and (f) monitoring process.

(a) governance and leadership

The Audit Committee reviewed profiles of GSHK's directors and principals, which showed relevant PIE audit experience, professional qualifications and firm roles. The Audit Committee has also examined GSHK's organizational structure manual. This document outlines the governance framework with a Shenzhen-Hong Kong dual base, governed by a management committee chaired by the chief partner, supported by directors and principals possessing extensive experience from international reputable auditor firms, cross-border experience and qualifications. This review confirmed experienced leadership with the authority to manage the quality management system and commitment to audit quality. No issues were noted regarding accountability or performance measurement. The Audit Committee is satisfied that GSHK has in place a rigorous audit approach, with extensive experience in providing timely audit services with a commitment to quality.

(b) compliance with relevant ethical requirements

The Audit Committee confirmed no prior relationships or financial interests with GSHK. Discussions during tele-conference identified no independence threats for this engagement, and GSHK has policies to identify/mitigate threats, in compliance with the requirements of HKSQM 1 Statement of Quality Management and the Hong Kong Institute of Certified Public Accountants' Code of Ethics for Professional Accountants. The profiles of GSHK's directors and principals confirmed adherence to professional standards. No ethical breaches were noted. The Audit Committee is satisfied that GSHK's audit methodology is effective in ensuring that GSHK delivers high quality, independent and rigorous audits.

(c) industry knowledge and competence

Significant emphasis was placed on e-commerce and AI expertise given the Group's business expansion. GSHK demonstrated stronger understanding than Moore CPA (per management and tele-conference). Evidence included: (i) IT specialist profiles showing dedicated in-house expertise in e-commerce/AI audits; (ii) directors/principals' PIE experience in relevant sectors; (iii) audit plan with tailored risk-based and controls-focused approaches. GSHK's audit plan was specifically tailored to the Group's expanding e-commerce and AI-driven businesses by adopting a risk-based and controls-focused approach. In particular, the plan identified e-commerce revenue as a key audit matter and emphasised the assessment of IT general controls and application controls over the Group's e-commerce platform, including transaction processing logic, data integrity and interfaces with third-party payment platforms. Dedicated IT specialists performed system-based testing, data reconciliations and recalculations of revenue. The approach was further reinforced by the involvement of directors and principals with relevant PIE and technology-sector experience and enhanced scrutiny over AI-related intangible assets, valuations and management assumptions. The team has capabilities and training for advanced technologies like AI. The Audit Committee has reviewed and discussed with GSHK about their audit plan and the audit timeline which would be sufficient to provide a quality audit.

(d) engagement performance

GSHK's audit plan outlined a compliant, risk-based methodology with emphasis on professional skepticism and judgement. Evidence included allocation of sufficient experienced staff (including partners, directors and IT specialists); adequate time for supervision, transition and quality review; and confirmation during tele-conference of GSHK's experience in smooth transitions with predecessor auditors. The Audit Committee was satisfied resources and plan are adequate for a high-quality audit without overcommitment.

(e) communication and interaction with the Audit Committee

Assessment was based on an effective tele-conference discussing plan, resources and documents openly. The audit plan includes regular updates and private sessions with the Audit Committee (excluding management). GSHK showed responsiveness and clarity, supporting effective two-way communication.

(f) monitoring process

The Committee inferred robust monitoring from directors/principals' profiles (which showed no past disciplinary records on the websites of the Hong Kong Institute of Certified Public Accountants and the Accounting and Financial Reporting Council, as well as a successful PIE track record) and references in the audit plan to quality controls (including direction, supervision, review and engagement quality reviews). No deficiencies from inspections were noted, and methodology is updated as needed. No regulatory actions against the firm or team were identified.

Having completed the above assessment of governance and leadership, ethical compliance, industry knowledge and technical competence, engagement performance, communication, and monitoring process, the Audit Committee is satisfied that GSHK possesses the necessary competence, resources, independence and quality controls to perform a high-quality audit of the Company's 2025 financial statements. The Audit Committee therefore recommends the appointment of GSHK as the new auditor of the Company.

4. THE AUDIT TIMETABLE BY GSHK

The audit plan of GSHK includes interim and preliminary procedures commencing in January 2026, year-end substantive procedures from February to March 2026, and completion by March 2026 to facilitate timely reporting.

As of the date of this announcement, GSHK has commenced the January procedures as planned and is strictly adhering to the timeline.

The Board concurs with the views of the Audit Committee and considers that the appointment of GSHK as the new auditor of the Company is in the interests of the Company and the Shareholders as a whole.

All other information contained in the Announcement remains unchanged and continues to be valid for all purposes. This announcement is a supplement to and should be read in conjunction with the Announcement.

By order of the Board
Phoenitron Holdings Limited
Chang Wei Wen
Executive Director

Hong Kong, 23 April 2026

As at the date of this announcement, the Board comprises four executive Directors, Ms. Lily Wu (Chairman), Mr. Guo Rongxiang, Mr. Chang Wei Wen (Chief Executive Officer) and Mr. Yang Meng Hsiu, and three independent non-executive Directors, Ms. Wong Ka Wai, Jeanne, Mr. Yeung Man Chit, Daniel and Mr. Chan Siu Wing, Raymond.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.phoenitron.com.