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JOYZYME GROUP LIMITED
愉悅集團有限公司

(Incorporated in Cayman Islands with limited liability)
(Stock Code: 8622)

SUPPLEMENTAL ANNOUNCEMENT MADE PURSUANT TO RULE 17.50A(2) OF THE GEM LISTING RULES

Reference is made to the announcement of Joyzyme Group Limited (the "**Company**") dated 15 September 2026 (the "**Announcement**") pursuant to Rule 17.50A(2) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board wishes to provide further information regarding the detailed work on assessment of Dr. Cheng Faat Ting Gary's ("**Dr. Cheng**") competency and suitability to continue to act as an independent non-executive director of the Company ("**INED**") and the chairman of the audit committee of the Company ("**Audit Committee**") and the basis of the Board's assessment.

DETAILED WORK ON ASSESSMENT OF DR. CHENG'S COMPETENCY AND SUITABILITY TO CONTINUE TO ACT AS AN INED AND THE CHAIRMAN OF THE AUDIT COMMITTEE

Upon notification by Dr. Cheng regarding the AFRC's public reprimand against him on 14 September 2026, the Board, with the recommendation of the nomination committee of the Company ("**Nomination Committee**"), has conducted a comprehensive assessment of the competency and suitability of Dr. Cheng to continue serving as an INED and chairman of the Audit Committee as follows:

- Promptly obtained and reviewed the AFRC press release dated 10 September 2026 together with the full Statement of Disciplinary Action ("**SDA**"), including the underlying facts, the nature of the deficiencies identified, Dr. Cheng's role in the relevant audit engagement and the basis upon which the AFRC reached its findings.

- Convened a meeting with Dr. Cheng, made detailed enquiries of Dr. Cheng and sought his explanation concerning the background, nature, and circumstances leading to the AFRC findings, including his personal role as engagement partner, the independence assessment and safeguards considered at the time, the specific audit procedures applied to trade receivables and journal entry testing, lessons learned from the regulatory process and the remedial measures subsequently implemented by him and GCCL in response to the findings.

- Convened meetings of the Nomination Committee and the Board (with Dr. Cheng recusing himself from the relevant discussions and decisions) to consider the AFRC findings, Dr. Cheng's responses, his professional background and track record, the remedial measures implemented by Dr. Cheng and his audit practice, including enhancements to independence safeguards, engagement quality review procedures, quality control policies, staff training programmes and audit documentation requirements, to assess whether the deficiencies identified had been appropriately addressed, and the implications for his continuing suitability under GEM Rules 5.02, 5.05, 5.07, and 5.28.

- Considered whether the deficiencies identified by the AFRC reflected a lack of technical competence or a broader inability to perform oversight functions expected of the chairman of the Audit Committee, and concluded that the findings related to deficiencies in a specific audit engagement rather than an absence of accounting, auditing or financial reporting expertise.

- Obtained written representations and undertakings from Dr. Cheng, including confirmation that: (i) his Hong Kong Institute of Certified Public Accountants ("**HKICPA**") membership and practising certificate remain in good standing and that he is in strict compliance with HKICPA requirements (including continuous professional development); and (ii) there has been no material adverse change in his professional circumstances since the SDA.

- Reviewed Dr. Cheng's registration records with the HKICPA and the AFRC, which confirmed that his membership and practising status remain valid and in good standing respectively, with no conditions or suspensions recorded.

- Conducted searches of the disciplinary records of the AFRC, the HKICPA, and the Securities and Futures Commission, which disclosed no record other than the SDA.

- Reviewed Dr. Cheng's academic and professional qualifications, practising experience, extensive audit, accounting and financial reporting experiences, and specifically evaluated whether Dr. Cheng continues to satisfy the requirement under GEM Listing Rules 5.05(2) and 5.28 of possessing appropriate professional qualifications or accounting or related financial management expertise.

- Assessed Dr. Cheng's actual performance as chairman of the Audit Committee by reviewing his attendance and participation record, the quality of his contributions during the Board and Audit Committee meetings, his engagement with the Company’s external auditor, and his oversight of the Company’s financial reporting, risk management and internal control systems during his appointment as an INED during the period from 1 September 2020 to 8 July 2025.

- Reviewed the Company's external auditor arrangements (Forvis Mazars CPA Limited), the Audit Committee's terms of reference and annual work plan, and considered whether any enhancement to the Audit Committee's processes or Board oversight was warranted. The Board is of the view that no immediate amendment to the terms of reference is required. Nevertheless, the Audit Committee will place heightened emphasis on external auditor independence and quality-control discussions going forward.

- Assessed the impact of the AFRC matter on the Company. The Board is of the view that the AFRC matter has not had, and will not have, any impact on the Company's financial position, business operations, financial reporting, or internal controls.

- Considered whether it was necessary to appoint an additional INED with accounting expertise as a contingency or enhancement measure. The Board is of the view that no additional INED needs to be appointed at this stage, given that Dr. Cheng is considered suitable to continue to act as an INED and chairman of the Audit Committee.

- Considered whether there had been any subsequent regulatory findings, complaints or matter that would suggest an ongoing concern regarding his professional competence. Obtained written confirmation from Dr. Cheng that: (i) apart from the investigation and disciplinary actions related to the AFRC findings, he has not been and is not currently subject to any other investigations and/or disciplinary actions stipulated under GEM Listing Rule 17.50(2); and (ii) he will promptly notify the Company of any future investigation and/or disciplinary action in accordance with GEM Listing Rule 17.50(2).

BASIS OF THE BOARD'S ASSESSMENT

Having reviewed the AFRC's findings in respect of Dr. Cheng, the Board (including the Nomination Committee) acknowledges the seriousness of those findings, namely: (i) the independence breach, described as particularly serious given the express prohibition under the Code of Ethics for Professional Accountants in the circumstances of a PIE (public interest entity) audit; and (ii) the audit-evidence failures that affected the reliability of the financial statements of the audited entity.

At the same time, the Board notes the following:

- The AFRC made no finding of fraud, integrity, wilful misconduct or personal gain, nor did they call into question Dr. Cheng's professional qualifications, technical expertise or ability to oversee financial reporting and governance matters;

- Dr. Cheng and GCCL fully admitted liability at an early stage and cooperated with the AFRC, which was taken into consideration by the AFRC in determining the sanctions;

- The findings related to a single specific audit engagement of a third party unrelated to the Company and its subsidiaries;

- The sanctions imposed were limited to a public reprimand and a pecuniary penalty, without any suspension, practice limitation, prohibition, disqualification, or restriction on Dr. Cheng's ability to carry on audit work; and

- Apart from those related to the AFRC findings, Dr. Cheng's disciplinary record is otherwise clean.

The Board (including the Nomination Committee) carefully considered the nature, scope and circumstances of the AFRC's findings above, together with Dr. Cheng's overall professional qualifications, experience, conduct and contributions to the Company, and is of the view that the deficiencies identified by the AFRC do not impair Dr. Cheng's competence in connection with the appropriate professional qualifications or accounting or related financial management expertise required under GEM Listing Rule 5.05(2), based on the following:

- Dr. Cheng's otherwise clean disciplinary record, apart from those related to the AFRC findings, together with the fact that the scope of the disciplinary action (i.e., without imposing any restriction on GCCL's qualification to carry on audit work) indicates that the deficiencies of Dr. Cheng and GCCL are non-recurring in nature and should not be considered systemic and widespread quality breakdowns.

- Dr. Cheng's extensive professional experience of over 30 years in financial reporting, business advisory, auditing, accounting, tax investigation and liquidation and his qualifications which satisfy the financial expertise requirements under GEM Listing Rules 5.05(2) and 5.28. Throughout his tenure as chairman of the Audit Committee from 1 September 2020 to 8 July 2025, Dr. Cheng has actively participated in the oversight of the Company's financial reporting process, risk management and internal control systems, maintained a strong attendance record at Board and committee meetings, provided independent challenge and judgement to management and external auditors, and demonstrated a thorough understanding of the regulatory and governance obligations applicable to listed companies.

- While the AFRC's findings addressed specific procedural and conflict-of-interest matters at GCCL, this regulatory process has served as an invaluable learning experience. Dr. Cheng and his firm’s enhancements to independence safeguards, quality control procedures, training and governance practices demonstrated his and his firm’s accountability and a commitment to professional improvement. It has sharpened Dr. Cheng's acumen regarding, among other things, auditor independence safeguards, audit quality and regulatory expectations, conflict-of-interest management, and internal control rigor, effectively converting his past regulatory lessons into a robust governance asset for the Company, thereby enhancing his effectiveness in fulfilling his Audit Committee responsibility in overseeing the Company’s external audit process and financial reporting controls.

- There have been no subsequent regulatory findings, complaints or matter that would suggest an ongoing concern regarding Dr. Cheng's professional competence.

Accordingly, the Board (including the Nomination Committee) is satisfied that Dr. Cheng continues to possess the competence, expertise, integrity, independence of judgement and experience required to discharge his duties effectively as an INED and the chairman of the Audit Committee. Dr. Cheng is competent to oversee the Audit Committee, whose duties principally include being primarily responsible for making recommendations to the Board on the appointment, reappointment, and removal of auditors, approving the remuneration and terms of engagement of the auditors, and addressing any questions of resignation or removal of the auditors. In addition, the Audit Committee oversees the financial reporting process and review and monitor the effectiveness of the audit process relating to the financial statements of listed entities.

In addition, the Board (including the Nomination Committee) has taken into consideration the following factors with respect to Dr. Cheng continuing to act as an INED:

- The AFRC's findings, which are confined strictly to matters of professional negligence and procedural non-compliance, do not amount to an integrity, honesty, or character breach. Accordingly, the Board is of the view that Dr. Cheng satisfies the rigorous "fit and proper" person criteria mandated for listed issuer directors under GEM Listing Rules 5.01 and 5.02.

- Dr. Cheng's extensive professional experience of over 30 years in financial reporting, auditing, accounting, business advisory, and related fields, together with his current professional memberships and practising status. His experience encompasses both audit execution and broader financial reporting and governance roles; the Board considers the latter particularly relevant to his functions as INED and the chairman of the Audit Committee.

- Dr. Cheng has not been the subject of any subsequent investigation or disciplinary action of a similar nature.

- His performance and contributions as an INED during the period from 1 September 2020 to 8 July 2025, and the absence of any concern regarding his integrity, independence, or diligence in that capacity.

Based on the above, the Board is of the view that Dr. Cheng is competent and suitable to act as an INED and chairman of the Audit Committee. The Board believes that retaining an experienced INED with deep accounting knowledge, who has undergone a rigorous regulatory process and implemented meaningful remedial measures, better serves the interests of the Company and his continued appointment remains in the best interests of the Company and its shareholders as a whole.

The Board will continue to keep the matter under review and will take such further action as may be appropriate should any material new information arise.

By Order of the Board
Joyzyme Group Limited
Dr. Zhou Xunyong
Chairman and Executive Director

Hong Kong, 6 November 2026

As at the date of this announcement, the executive Directors are Dr. Zhou Xunyong, Ms. Zhang Yujing, Mr. Zhang Chunguang and Mr. Poon Lai Yin Michael; the Non-executive Director is Dr. Bu Su; and the Independent Non-executive Directors are Dr. Chow Kwok Fai Joseph, Ms. Wang Yachun and Dr. Cheng Faat Ting Gary.

This announcement, for which the Directors 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 of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, 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 herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the Stock Exchange website at www.hkexnews.hk for at least seven days from the date of publication and on the Company's website at www.joyzymebiotech.com.