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中彩網通控股有限公司
China Netcom Technology Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8071)

CHANGE OF AUDITOR

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of China Netcom Technology Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.50(4) of The Rules Governing the Listing of Securities on GEM ("**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

RESIGNATION OF AUDITOR

The Board hereby announces that the Board and the audit committee of the Company ("**Audit Committee**") have received a resignation letter ("**Resignation Letter**") dated 10 November 2026 from Loyal Honour CPA Limited ("**Loyal Honour**"), tendering its resignation as the auditor of the Company and its Hong Kong incorporated subsidiaries (the "**Hong Kong Subsidiaries**") with effect from 10 November 2026 (the "**Resignation**"). Loyal Honour stated in the Resignation Letter that it decided to resign due to the strategic development of its audit practice.

Loyal Honour confirmed that it does not have any disagreements with the Company or the Hong Kong Subsidiaries nor any matters that need to be brought to the attention of the shareholders or creditors of the Company or the Hong Kong Subsidiaries in relation to its Resignation.

The Board and the Audit Committee have confirmed that there is no disagreement between the Company or the Hong Kong Subsidiaries and Loyal Honour and that, save as disclosed above, there are no other matters or circumstances in connection with the Resignation that need to be brought to the attention of the shareholders and creditors of the Company or the Hong Kong Subsidiaries, the Stock Exchange and other regulatory authorities.

As at the date of this announcement, Loyal Honour has not commenced any audit work on the audit for the financial year ending 31 December 2026 (the "**2026 Audit**"). The Board believes that the Resignation will not have any significant impact on the 2026 Audit and the publication of the annual results of the Company for the financial year ending 31 December 2026 ("**FY2026**").

The Board would like to take this opportunity to express its gratitude and appreciation to Loyal Honour for its professional and quality services rendered to the Company in the past.

CHRONOLOGY OF EVENTS LEADING TO THE CHANGE OF AUDITOR

Date	Event
26 June 2026	Loyal Honour was re-appointed as the auditor of the Company at the annual general meeting of the Company, to hold office until the conclusion of the next annual general meeting of the Company.
28 October 2026	Loyal Honour informed the Company of its intention to resign as the auditor of the Company.
28 October — 30 October 2026	The management approached several professional accounting firms to obtain fee proposals for the 2026 Audit, including Baker Tilly Hong Kong Limited ("**Baker Tilly**"), and discussed with them their interest, capacity, audit plans and fee proposals on the 2026 Audit.
9 November 2026	Baker Tilly presented its audit approach, audit plan, timetable, resources and remuneration to the Audit Committee. Having assessed the factors set out under the "Audit Committee's Assessment of the New Auditor" below, the Audit Committee recommended Baker Tilly's appointment to the Board.
10 November 2026	Loyal Honour tendered its resignation as the auditor of the Company and issued a reply to the professional clearance letter from Baker Tilly. Subsequently, upon the recommendation of the Audit Committee, the Board resolved to appoint Baker Tilly as the new auditor of the Company to fill the vacancy arising from the Resignation.

APPOINTMENT OF AUDITOR

As disclosed above, having considered the recommendation of the Audit Committee, the Board has resolved to approve the appointment of Baker Tilly as the new auditor of the Group to fill the casual vacancy following the Resignation with effect from 10 November 2026 and to hold office until the conclusion of the next annual general meeting of the Company. Pursuant to the articles of association of the Company, the Board has the power to fill any casual vacancy in the office of auditor and to fix the remuneration of the auditor so appointed. Accordingly, no extraordinary general meeting is required for the appointment.

AUDITOR'S REMUNERATION

The Audit Committee and the Board have considered the following in assessing the reasonableness of the total auditor's remuneration of HK$1,000,000 which included audit fee of HK$720,000 for 2026 Audit and non-audit service fee of HK$280,000 for the non-audit service (which refers to the reviews of the Company's annual results announcement for the year ending 31 December 2026 and unaudited consolidated financial statements for the six months ending 30 June 2027), as proposed by Baker Tilly and determined after due consideration and arm's length negotiations between the Company and Baker Tilly, subject to adjustment in the event of any material change in the Company's business, operations, expected audit scope, audit timetable, audit resources required and the level of audit specialist required. The indicative auditor's remuneration for 2026 Audit and the non-audit service quoted by the other two professional audit firms approached by the Company ranged from HK$800,000 to HK$900,000, in each case excluding disbursements. Of these amounts, audit service fees ranged from HK$680,000 to HK$750,000, while non-audit service fees ranged from HK$120,000 to HK$150,000.

Basis of the proposed remuneration for the 2026 Audit and the non-audit service

1. Prevailing market rates

The Audit Committee compared Baker Tilly's proposed auditor's remuneration of HK$1,000,000 for 2026 Audit and the non-audit service against the indicative auditor's remuneration for 2026 Audit and the non-audit service quoted by the other two professional audit firms approached by the Company, which ranged from HK$800,000 to HK$900,000, excluding disbursements. Based on this comparison, the Audit Committee considered Baker Tilly's proposed auditor's remuneration to be broadly comparable with prevailing market rates.

2. The Company's business scale and complexity

The Audit Committee reviewed the Company's current business operations, including the scope and nature of its business segments. The Audit Committee considered that the proposed auditor's remuneration for FY2026 was in line with the Company's operational scale and group structure.

3. Audit timetable

The Audit Committee assessed Baker Tilly's proposed timeline and resource deployment for performing the 2026 Audit. The Audit Committee considered that Baker Tilly's proposed timetable and personnel allocation are realistic and appropriate to meet the Group's reporting obligations under the proposed audit plan.

4. Scope of the audit

The Audit Committee reviewed Baker Tilly's proposed audit plan, including its risk-based methodology and key audit areas, and noted that its proposed audit approach was broadly consistent with the approach adopted by Loyal Honour for the Company's audits and that Baker Tilly was the Company's former auditor from 29 November 2018 till 5 June 2025, all of these will help ensure the continuity and consistency in audit quality.

5. Level and composition of professional staff

The Audit Committee reviewed Baker Tilly's proposed team structure (including engagement partners, quality review partner, managers and other team members such as seniors and associates, supported by IT and tax specialists) and the allocation of budgeted audit hours. Given that members of the proposed team previously audited the Group, their familiarity with the Group's business model, operations and financial systems will ensure a smooth transition and audit efficiency. The Audit Committee considered that the estimated auditor's remuneration for FY2026 was commensurate with the required technical expertise, team seniority and resources commitment of Baker Tilly.

Based on the above, the Audit Committee and the Board are satisfied that Baker Tilly's proposed fee is reasonable and commensurate with the size and complexity of the Company's business, and that Baker Tilly's proposed audit plan, timetable and committed resources are adequate to complete the 2026 Audit without compromising audit quality.

AUDIT COMMITTEE'S ASSESSMENT OF THE NEW AUDITOR

In considering the appointment of Baker Tilly, the Audit Committee and the Board considered proposals and fee quotations from three professional audit firms, including but not limited to (i) their professional qualifications, experience, industry knowledge and technical competence in providing audit work for companies listed on the Stock Exchange, (ii) their independence and objectivity in relation to the Company, (iii) their resources and capabilities including manpower and time, (iv) the relevant guidance issued by the Accounting and Financial Reporting Council ("**AFRC**"), including the Guidance Notes on Change of Auditors and the Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors, and (v) the proposed audit plan, fee and ability to timely perform the 2026 Audit. Baker Tilly has confirmed that it is able to undertake the 2026 Audit in accordance with the Company's proposed timetable.

In accordance with the Guidelines for Effective Audit Committees issued by the AFRC, the Audit Committee also assessed the suitability of Baker Tilly by reference to the following factors:

1. Governance and leadership

Baker Tilly is a member firm of Baker Tilly International, a global network of independent accounting and business advisory firms. Established in 1977, Baker Tilly has approximately 300 professionals and serves a substantial number of companies listed on the Stock Exchange, including companies in the financial and investment sectors. The Audit Committee has reviewed Baker Tilly's organizational structures, leadership and its governance arrangements relevant to audit quality, and is satisfied that appropriate governance and leadership are in place to support audit quality.

2. Compliance with relevant ethical requirements

The Audit Committee assessed Baker Tilly's compliance with relevant ethical requirements by reviewing independence of Baker Tilly and members of the engagement team and considering compliance with applicable ethical and independence standards. Baker Tilly confirmed that it has maintained a quality management system with reference to the Codes of Ethics for Professional Accountants and the Hong Kong Standards on Quality Management issued by the Hong Kong Institute of Certified Public Accountants, and requires its professional staff to comply with the same. Through the independence statements set out in its fee proposal, Baker Tilly has declared that it is independent of the Company. Baker Tilly possesses the relevant practising credentials and qualifications as auditor of companies listed in Hong Kong. In light of the above, the Audit Committee is satisfied that Baker Tilly complies with relevant ethical requirements and is independent in relation to the audit engagement.

3. Industry knowledge and technical competence

The Audit Committee reviewed Baker Tilly's industry knowledge and technical competence. The Audit Committee noted that Baker Tilly was the former auditor of the Company and has experience in auditing Hong Kong listed issuers operating in the technology, software services, digital solutions and retail technology sectors. Given that the Group is principally engaged in smart retail business and automotive culture business, the Audit Committee considers that Baker Tilly possesses the relevant industry experience and technical expertise to effectively undertake the audit of the Company and to support the Company's ongoing compliance with the GEM Listing Rules and other applicable regulatory requirements.

4. Engagement performance

The Audit Committee assessed Baker Tilly's proposed audit plan, including the allocation of professional staff, technical resources, audit methodology, and timetable, and confirmed that the audit plan is designed to comply with applicable auditing standards. The Audit Committee assessed that the audit engagement team has sufficient and appropriate resources, including sufficient expertise and time to perform a high-quality audit. Baker Tilly proposes to allocate a dedicated service team for the Group. Its directors and staff possess comprehensive expertise and knowledge in audit, taxation and industry matters, with proven experience in serving listed companies and enterprises across multiple industries. Baker Tilly proposes to adopt a structured and flexible audit strategy, comprising the stages of planning, performing audit procedures, and finalising the audit report.

5. Communication and interaction with the Audit Committee

The Audit Committee assessed Baker Tilly's communication and interaction arrangements by reviewing the proposed communication protocols set out in the audit plan. Baker Tilly will liaise with the Audit Committee at appropriate stages of the audit. As part of two-way communication with the Audit Committee, Baker Tilly will provide an overview of the planned audit scope and preliminary audit timetable, and will present audit findings and discuss them with the Audit Committee from time to time during the course of the audit.

6. Monitoring process

The Audit Committee assessed Baker Tilly's internal monitoring processes over engagement quality. Baker Tilly maintains a system of quality management in accordance with HKSQM 1, which incorporates a monitoring and remediation process covering, among other things, periodic reviews of completed audit engagement files, monitoring of compliance with ethics and independence requirements, and root cause analysis and remediation of any deficiencies identified. The effectiveness of its system of quality management is subject to annual internal evaluation and external monitoring by the AFRC and the Baker

Tilly International network. The Audit Committee is satisfied that these monitoring processes provide robust oversight and support the delivery of a high-quality audit for the Group.

Based on the above, the Audit Committee has assessed and considered Baker Tilly to be independent, competent and capable of performing a quality audit, and suitable to act as the auditor of the Company and recommended the appointment to the Board. In light of all the above, the Board and the Audit Committee consider that the appointment of Baker Tilly is in the interests of the Company and the Shareholders as a whole.

FY2026 AUDIT PLAN

The Company has discussed with Baker Tilly the audit plan for FY2026, the key elements of which are summarised below:

Stage	Indicative Timing	Key Activities
Audit planning and transition	Mid-November to December 2026	Upon its appointment, Baker Tilly will conduct planning procedures, including understanding the Company's latest business and internal control environment, performing a risk assessment, performing audit procedures in respect of the opening balances and comparative information, and determining the overall audit strategy, scope and materiality.
Year-end fieldwork	January to February 2027	Baker Tilly will carry out year-end audit procedures, including tests of controls and substantive procedures, on the consolidated financial statements of the Company for FY2026.
Audit completion	Early March to mid-March 2027	Baker Tilly will complete the audit, review the financial statements and issue the auditor's report on the FY2026 financial statements.
Annual results announcement	Mid-March 2027	The Company expects to publish its annual results announcement for FY2026 within the time limit prescribed under the GEM Listing Rules.

The Board would like to extend its warm welcome to Baker Tilly on its appointment as the auditor of the Company.

By order of the Board
China Netcom Technology Holdings Limited
Zheng Minggao
Chairman and Executive Director

10 November 2026

As of the date of this announcement, the executive Directors are Mr. Zheng Minggao and Mr. Zhu Zhengyang; the non-executive Director is Mr. Yang Xiao; and the independent non-executive Directors are Mr. Fan Lei, Ms. Feng Yu and Mr. Yu Tat Chi Michael.

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 Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the Company's website at www.irasia.com/listco/hk/chinanetcom.