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dida

Dida Inc.

嘀嗒出行*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 02559)

CHANGE OF AUDITOR

This announcement is made by Dida Inc. (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, 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 “**Stock Exchange**”).

The board of directors (the “**Board**”) of the Company hereby announces that Deloitte Touche Tohmatsu (“**Deloitte**”) has tendered its letter of termination (the “**Termination Letter**”) on December 9, 2024 to terminate its services as auditor of the Company with immediate effect. Deloitte’s audit engagement with the Company was completed after it issued its audit report of the Group’s consolidated financial statements for the year ended December 31, 2023. Deloitte has not been engaged nor commenced any audit work for the Group for the year ending December 31, 2024.

The Board further announces that, with the recommendation of the audit committee of the Company (the “**Audit Committee**”), it has resolved to appoint RSM Hong Kong as the auditor of the Company for the audit of the consolidated financial statements of the Group for the year ending December 31, 2024 to fill the casual vacancy and to hold office until the conclusion of the forthcoming annual general meeting of the Company.

The following sets forth more details relating to change of auditor of the Company:

Appointment of Auditor

Deloitte’s audit engagement with the Company was completed after Deloitte issued its audit report of the Group’s consolidated financial statements for the year ended December 31, 2023. The Company has been considering the engagement of a more cost-effective audit service with equivalent high quality for the audit of the consolidated financial statements of the Group for the year ending December 31, 2024 since then.

* *For identification purposes only*

With the recommendation from the Audit Committee, on December 9, 2024, the Board has resolved to appoint RSM Hong Kong as the auditor of the Company for the audit of the consolidated financial statements of the Group for the year ending December 31, 2024 to fill the casual vacancy and to hold office until the conclusion of the forthcoming annual general meeting of the Company. RSM Hong Kong is a member firm of RSM, a global network of independent assurance, tax and consulting firms, which ranks the 6th among all global audit networks in terms of fee income according to World Survey Global Fee and Staff 2024 published by International Accounting Bulletin.

The Audit Committee has considered a number of factors in assessing the appointment of RSM Hong Kong as the Company's auditor including but not limited to (i) the audit proposal of RSM Hong Kong, including its proposed timeline, estimated audit fees, and assigned responsible staff; (ii) its qualification, experience, knowledge, and technical competence in providing audit work for companies listed on the Stock Exchange; (iii) its independence from the Group and objectivity; (iv) its resources and capabilities, and (v) the guidelines issued by the Accounting and Financial Reporting Council.

Based on the factors aforesaid, the Audit Committee has assessed and considered that RSM Hong Kong is suitable and capable of acting as the auditor of the Company. The Board and the Audit Committee are of the view that the change of auditor is in the interest of the Company and the shareholders of the Company ("**Shareholders**") as a whole.

The Termination Letter

According to the Termination Letter, Deloitte considers that the following matter should be brought to the attention of the Shareholders and creditors of the Company.

Deloitte indicated in the Termination Letter that it had discussed with the Audit Committee and provided a letter (the "**AC Letter**") to the Audit Committee dated November 6, 2024 regarding certain prepayments made by the Company for purchasing advertising services (the "**Prepayments**"), indicating that certain areas regarding the Prepayments requiring further considerations and actions. In the AC Letter, Deloitte advised the Audit Committee that as the Company proceeds with its financial closing and reporting process, careful evaluations of the Prepayments would be needed, and in determining the extent of its audit procedures, it had identified that additional time and resources were necessary to understand this arrangement and perform audit procedures.

Deloitte further indicated in the Termination Letter that, it was informed by the Company that the Audit Committee discussed the matter raised by it with the management of the Company following its meeting with the Audit Committee and further discussed it with the Board, and that it was also informed that the Board had decided to appoint another audit firm as auditor in connection with the consolidated financial statements of the Company and its subsidiaries for the year ending December 31, 2024 and the Company would discuss the matters in connection with the Prepayments with the succeeding auditor thereafter. As a result, Deloitte would not be able to commence and complete the audit of the consolidated financial statements of the Company and its subsidiaries for the year ending December 31, 2024. After careful consideration, Deloitte has concluded that the decision of the Board to engage another audit firm has made its professional relationship untenable, and thus it has decided to tender its termination of service as auditor of the Company.

Deloitte has further confirmed that from their perspective there are no other matters that need to be brought to the attention of the Shareholders or creditors of the Company.

The Company's Response

The Audit Committee discussed the matter with Deloitte and reviewed the AC Letter. The Audit Committee has conducted a careful due diligence on the aforementioned matter, including, among others (i) discussing with the management of the Company to understand details and rationale of the Prepayment and their response to the AC Letter; (ii) reviewing the related documents to verifying the response from the Company; (iii) reviewing the related contracts to understand the terms and conditions of the transactions and comparing the prices of the advertising resources purchased by the Company with prevailing market prices of equivalent advertising resources; (iv) reviewing documents supporting the qualification of the vendor and its independence; (v) reviewing the internal control process applied for approving the signing of the related contracts and the payments under the contracts; (vi) reviewing the underlying documents for the related advertising services including the advertising content, payment proof and records of communication; (vii) reviewing evidences supporting that substantial quantity of advertisements have been deployed according to the contracts, and (viii) comparing the number of the Company's organic new users and returning users in the four months before and after the advertising campaign (after adjustment for seasonal fluctuation).

The Audit Committee reported to the Board its findings from such due diligence, based on which, they agree with the management of the Company that the relevant advertising services and Prepayment are rational commercial activities and have found no reasonable doubt on the compliance of such matter. The Board agreed with the findings of the Audit Committee and, with recommendation from the Audit Committee, has decided to keep tracking and monitoring the relevant matter during the annual audit process and to take any further action and update the Shareholders and creditors of the Company the relevant matters as and when necessary and in accordance with relevant rules and regulations.

The Board and the Audit Committee confirmed that, other than the aforementioned and the Company's audit fee consideration, there are no disagreements or unresolved matters between the Company and Deloitte in respect of the change of the Auditor which should be brought to the attention of the Shareholders. The Board and the Audit Committee further confirmed that Deloitte has not commenced any audit work on the consolidated financial statements of the Group for the year ending December 31, 2024. It is therefore expected that the change of auditor will not have any material impact on the annual audit of the Group for the year ending December 31, 2024.

The Board would like to take this opportunity to express its gratitude and appreciation to Deloitte for their professional and quality services rendered to the Company during the past years and its warm welcome to RSM Hong Kong on its appointment as the auditor of the Company.

By Order of the Board

Dida Inc.

SONG Zhongjie

*Chairman of the Board, chief executive officer
and executive Director*

Hong Kong, December 9, 2024

As at the date of this announcement, the Board comprises Mr. SONG Zhongjie, Mr. LI Jinlong, Mr. ZHU Min, Mr. DUAN Jianbo and Mr. LI Yuejun as executive Directors; Mr. LI Bin as a non-executive Director; Mr. LI Feng, Mr. LI Jian and Ms. WU Wenjie as independent non-executive Directors.