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iMotion Automotive Technology (Suzhou) Co., Ltd.
知行汽車科技(蘇州)股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1274)

PROPOSED CHANGE OF AUDITOR

This announcement is made by iMotion Automotive Technology (Suzhou) Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.51(4) of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

PROPOSED CHANGE OF AUDITOR

The board ("**Board**") of directors ("**Directors**") of the Company hereby announces that, as the Company and its current auditor, KPMG ("**KPMG**"), were unable to reach a consensus on the proposed audit fee for the financial year ending December 31, 2026 ("**2026**"), and upon the recommendation of the audit committee of the Board (the "**Audit Committee**"), the Company proposes to remove KPMG as the auditor of the Company for the financial year ending December 31, 2026 (the "**Proposed Removal**") and to appoint Rongcheng (Hong Kong) CPA Limited ("**Rongcheng Hong Kong**") as the new auditor of the Company for 2026 to fill the casual vacancy arising from the Proposed Removal (together with the Proposed Removal, the "**Proposed Change of Auditor**"). The Proposed Change of Auditor is subject to the passing of the relevant resolutions by the shareholders of the Company (the "**Shareholders**") at the extraordinary general meeting of the Company to be convened (the "**EGM**").

Background to the Proposed Change of Auditor

On May 27, 2026, the Company published the circular (the "**AGM Circular**") for the 2025 annual general meeting of the Company (the "**AGM**"). Pursuant to the relevant guidance of the Stock Exchange and the requirements of the Listing Rules, the AGM Circular set out an ordinary resolution proposing to re-appoint KPMG as the auditor of the Company, to hold office from the date of approval at the AGM until the conclusion of the next annual general meeting, and to authorize the Board to determine its

remuneration based on the audit workload and market price levels. The AGM Circular also disclosed that the audit fee for the consolidated financial statements of the Group for the financial year ending December 31, 2026 was estimated to be approximately RMB1,480 thousand to RMB1,880 thousand.

On June 18, 2026, the Company held the AGM, and the said ordinary resolution for the re-appointment of KPMG was passed by the Shareholders by way of poll.

During September 2026, in preparation for the annual audit for the year ending December 31, 2026, the Company commenced formal discussions with KPMG regarding the audit fee for the Group. On September 22, 2026, KPMG submitted to the Company a quotation for the audit fee for 2026, proposing an audit fee of RMB2,850,000.

After a detailed review of KPMG's fee proposal and communications with KPMG, management understands that KPMG's quotation was determined based on its professional judgement and its assessment of the workload, considering the Group's latest interim financial results, for the audit of the Group for 2026. KPMG's quotation was primarily based on its comprehensive assessment of the Group's business development, audit scope and workload, and reflects the level of professional resources it would need to devote to completing the current year's audit work. However, taking into account the Group's current cost control objectives and overall financial management strategy, management considered it necessary to invite other candidate auditors to submit quotations and service proposals for comparative evaluation, so as to make the most appropriate choice in the interests of the Company and the Shareholders as a whole.

In this regard, the Company successively invited Rongcheng Hong Kong and another professional audit firm (the "**Potential Auditor**") to submit proposals and fee quotations for the Group's 2026 audit services. Including KPMG's quotation, the Audit Committee obtained independent fee proposals from a total of three professional audit firms for comparative evaluation.

The Audit Committee has reviewed the audit fee proposals provided by KPMG and other professional accounting firms (including Rongcheng Hong Kong). The audit fee proposal submitted by Rongcheng Hong Kong is more competitive than that provided by KPMG. After careful assessment, the Audit Committee is of the view that the audit proposals submitted by KPMG and Rongcheng Hong Kong are broadly comparable, and that Rongcheng Hong Kong possesses the professional qualifications and experience necessary to provide audit services that meet the relevant quality standards at a competitive audit fee.

Upon the recommendation of the Audit Committee, the Board resolved to seek the approval of the Shareholders in respect of (i) the Proposed Removal; and (ii) the proposed appointment of Rongcheng Hong Kong as the new auditor of the Company (the "**Proposed Appointment**").

The Board is of the view that the Proposed Change of Auditor will facilitate more effective cost control and reduce operating expenses for the Company. Accordingly, the Board considers that the Proposed Change of Auditor is in the best interests of the Company and its Shareholders as a whole. The Board would like to take this opportunity to express its gratitude to KPMG for its professional services and support in previous years.

KPMG has confirmed in its termination letter that, save for the failure to reach a consensus with the Company on the proposed audit fee for the financial year ending December 31, 2026, there are no circumstances relating to the termination of its appointment that need to be brought to the attention of the Shareholders. The Board and the Audit Committee are not aware of any disagreement or unresolved audit matters between the Company and KPMG (other than the failure to reach a consensus with the Company on the proposed audit fee for 2026) or other matters that need to be brought to the attention of the Shareholders.

The Board further confirms that, as at the date of this announcement, KPMG has not commenced any field audit work on the consolidated financial statements of the Group for 2026. It is expected that the Proposed Change of Auditor will not have any material impact on the annual audit and annual results publication of the Group for 2026.

Explanation of the Difference Between the Estimated Fee in the AGM Circular and KPMG's Final Quotation

Shareholders may note that there is a substantial difference between the initial estimated audit fee range for 2026 disclosed in the AGM Circular (RMB1,480 thousand to RMB1,880 thousand) and the formal quotation submitted by KPMG on September 22, 2026 (RMB2,850,000). The Board and the Audit Committee explain as follows:

(i) Basis of preparation of the estimated fee in the AGM Circular. Pursuant to the relevant guidance of the Stock Exchange, the Company is required to disclose in the AGM Circular an estimated range of the auditor's remuneration for the next financial year. The estimated fee range in the AGM Circular was determined primarily by reference to the audit fees paid by the Group of RMB1,580,000 for the year ended December 31, 2024 and RMB1,680,000 for the year ended December 31, 2025, allowing for a certain increase over the audit fees paid in recent years and taking into account the normal development trend of the Group's business.

(ii) Formal negotiations on the 2026 audit fee had not yet commenced in May. At the time of publication of the AGM Circular (i.e. May 2026), the Group's audit work for 2025 had just been completed, and audit planning for 2026 had not yet formally commenced. At that time, management and KPMG had not yet held detailed discussions regarding the specific audit scope, key audit areas and required resource input for the year 2026. The fee forecast in the AGM Circular was an estimate based on historical audit fees paid, rather than a formally agreed quotation between the parties.

(iii) Reasons for the difference. For the reasons set out above, the difference between the estimated fee range in the AGM Circular and KPMG's final formal quotation mainly arose because KPMG updated its assessment of the current year's audit scope, workload (including the proposed additional workload) and corresponding resource requirements in light of its audit experience in recent years, and revised its audit fee quotation on that basis. The Board and the Audit Committee confirm that the estimated fee in the AGM Circular was a reasonable estimate based on the information available at the time, and that the Company made the disclosure in strict compliance with the requirements of the Listing Rules and the relevant guidance of the Stock Exchange.

Chronology of Events Leading to the Proposed Change of Auditor

The following sets out the timeline of the significant events leading to the Proposed Change of Auditor:

Date	**Event**
May 27, 2026	The Company published the 2025 AGM Circular, proposing the re-appointment of KPMG as auditor and disclosing a preliminary estimate of the 2026 audit fee of approximately RMB1,480 thousand to RMB1,880 thousand.
June 18, 2026	At the AGM, the ordinary resolution to re-appoint KPMG as auditor was passed by the Shareholders by way of poll.
September 22, 2026	KPMG submitted to the Company a formal quotation for the 2026 audit fee, proposing a fee of RMB2,850,000.
September 23, 2026	After reviewing KPMG's fee proposal and taking into account the Group's cost control objectives, the management decided to invite other candidate auditors to submit quotations for comparison, and successively issued invitations to Rongcheng Hong Kong and the Potential Auditor to submit proposals and quotations for the 2026 audit services.
October 7, 2026 and October 10, 2026	Rongcheng Hong Kong and the Potential Auditor respectively submitted proposals and quotations to the Company.
November 2, 2026	The Audit Committee held a meeting at which it evaluated in detail the audit plans, team qualifications, fee structures and timetables of KPMG, Rongcheng Hong Kong and the Potential Auditor, communicated in detail with Rongcheng Hong Kong, and resolved to recommend that the Board approve the Proposed Change of Auditor and the Proposed Appointment of Rongcheng Hong Kong as the new auditor.

November 2, 2026	At a Board meeting, the Board approved the Proposed Change of Auditor and resolved to submit it to the EGM for approval.
November 2, 2026	The Company received the termination letter from KPMG.

Comparison of Fee Proposals

The independent fee proposals from KPMG, Rongcheng Hong Kong and the Potential Auditor are compared below:

Candidate Proposal	Annual Audit Fee Quotation	Scope of Services
KPMG (Current)	RMB2,850,000	Audit of IFRS consolidated financial statements and statutory audit of the parent company
Potential Auditor	RMB1,350,000	Audit of IFRS consolidated financial statements, agreed-upon procedures in support of interim financial statements, and statutory audits of the parent company and subsidiaries
Rongcheng Hong Kong	RMB1,322,000	Audit of IFRS consolidated financial statements, agreed-upon procedures in support of audit, interim financial statements, and statutory audits of the parent company and subsidiaries

The Audit Committee has considered whether the lower fee would affect audit quality and concluded that it would not, for the following reasons:

(a) Rongcheng Hong Kong's quotation is not abnormally low. The quotations of the three proposals range from RMB1,322,000 to RMB2,850,000. Rongcheng Hong Kong's quotation is within a reasonable range, close to the quotation of the Potential Auditor (RMB1,350,000), and not substantially different from the audit fees charged by KPMG for the Company's 2024 and 2025 audits (RMB1.58 million and RMB1.68 million respectively).

(b) No reduction in audit scope. Rongcheng Hong Kong's proposal provides for an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing on the same basis as the 2025 audit, with no reduction in audit scope, audit coverage, sample size or applicable auditing standards. Its quotation includes the H-share annual audit, assistance with interim financial statements and statutory audits of subsidiaries.

(c) Fee differences arise from firm-specific commercial factors. The differences in audit fees mainly arise from two factors: (i) as an international Big Four accounting firm, KPMG's fee level reflects the actual costs of the resources it deploys in accordance with its globally uniform cost standards for professional services, as well as the costs it anticipates for the additional work it proposes to perform in the coming year's audit; and (ii) Rongcheng Hong Kong, as Rongcheng China's platform for expansion into the Hong Kong capital market, is at a stage of business expansion and adopts a competitive pricing strategy.

(d) Not selected solely on the basis of the lowest fee. The Audit Committee did not use the lowest fee as its sole selection criterion. In its assessment, the Audit Committee comprehensively considered factors including audit scope, risk assessment methodology, team qualifications and experience, independence, timetable, senior personnel involvement and understanding of the Group's business. The Audit Committee ultimately selected Rongcheng Hong Kong mainly because the engagement partner had previously led the audit engagement for the Company's H-share listing and already has an in-depth understanding of the Group's business model, financial reporting processes and internal controls, which is expected to facilitate the smoothest transition. In addition, the signing partner has over 30 years of experience auditing Hong Kong listed companies, and the engagement team's overall qualifications are the best match for the Company's size and complexity.

Assessment of the Appointment of Rongcheng Hong Kong as the New Auditor

In reaching its recommendation to the Board, the Audit Committee has conducted a comprehensive assessment of Rongcheng Hong Kong in accordance with the factors set out in Section 2 of the "Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors" (the "**Effective Audit Committee Guidelines**") and in the "Guidance Notes on Change of Auditors", both issued by the Accounting and Financial Reporting Council (the "**AFRC**"). The assessment is set out below:

(i) Governance and Leadership

Rongcheng Hong Kong is a wholly-owned subsidiary established in Hong Kong by Rongcheng China and is registered as a Public Interest Entity auditor under the Accounting and Financial Reporting Council Ordinance (Chapter 588, the laws of Hong Kong).

Rongcheng Hong Kong's engagement signing partner is a senior Hong Kong practicing accountant and a UK chartered accountant with over 30 years of audit and assurance experience. The partner previously worked within the global network of a Big Four accounting firm for over 28 years, holding positions including audit partner and Hong Kong signing partner based at the Shanghai head office. The partner has extensive experience auditing Hong Kong listed companies and has been responsible for audit engagements for over a hundred such companies, whose

businesses include automobiles and powertrain equipment, high-end manufacturing and heavy industrial components, new energy materials, and pharmaceuticals and healthcare.

The engagement business partner is a PRC Certified Public Accountant and an international certified public accountant, who worked at a Big Four accounting firm for over 20 years and served as an equity partner for 10 years, possessing extensive capital market experience. The partner was responsible for the audit of the Company's H-share listing and various other H-share listing projects, and has an in-depth understanding of the Group's business and financial reporting system.

The engagement senior manager worked at a Big Four accounting firm for eight years and has experience auditing Hong Kong and A-share listed companies, with clients in industries including vehicle and automotive parts manufacturing and high-end manufacturing.

The Audit Committee has reviewed Rongcheng Hong Kong's organizational and governance structure, quality management system documentation and partner biographies, and, after discussions with Rongcheng Hong Kong, is satisfied that its governance structure and management demonstrate a commitment to audit quality and the public interest.

(ii) Compliance with Relevant Ethical Requirements and Independence

The Audit Committee has obtained written confirmation from Rongcheng Hong Kong regarding its independence from the Group. Based on the information obtained, the Audit Committee is not aware of any circumstances that would impair Rongcheng Hong Kong's integrity, objectivity or independence in performing its duties as auditor of the Group.

The Audit Committee has also conducted its own background checks on Rongcheng Hong Kong through public searches, online enquiries and a review of Rongcheng Hong Kong's audit plan, and is satisfied that there are no relationships or circumstances that may impair its independence. The Company confirms that it has no business, financial, employment or family relationships with Rongcheng Hong Kong or any member of its engagement team.

(iii) Industry Knowledge and Technical Competence

All core engagement team members of Rongcheng Hong Kong possess extensive audit experience with Hong Kong listed companies and expertise in the automotive and technology industries. The engagement business partner was responsible for the Company's H-share listing project and has an in-depth understanding of the Group's intelligent driving business model, revenue recognition policies, R&D expenditure treatment and key financial reporting processes.

Rongcheng China currently provides audit services to over 550 A-share listed companies, ranking third nationwide by number of clients. The listed company clients it has served have a combined market capitalization exceeding RMB7.4 trillion and operate across industries including manufacturing, technology and automotive parts. Its clients include Allist Pharmaceuticals and enterprises in Contemporary Amperex's industrial chain, and it has extensive technical expertise and accumulated industry knowledge. Rongcheng Hong Kong is the Hong Kong member firm of Rongcheng's integrated network and holds a Hong Kong practicing CPA licence. Rongcheng Hong Kong has a team of approximately 110 people, 70% of whom have a Big Four background, and has served 61 Hong Kong listed companies. Rongcheng Hong Kong draws on Rongcheng China's audit resources, coordinates domestic and overseas engagements on an integrated basis, and has a thorough understanding of business operations in mainland China and the Listing Rules. Save as disclosed in the paragraph headed "Monitoring Procedures and Practice Quality" below, it has had no professional practice sanctions in the past three years, has comprehensive professional liability insurance coverage and offers an overall fee proposal that represents value for money, making it suitable to act as auditor of an H-share listed company.

The Audit Committee has reviewed the background of the proposed audit team and is satisfied that the team possesses sufficient technical knowledge and experience (including audit experience in the intelligent driving and automotive technology industries relevant to the Company's business) to audit the Group in accordance with applicable accounting standards and the Listing Rules.

(iv) Engagement Performance and Audit Plan

The Audit Committee has obtained and reviewed Rongcheng Hong Kong's overall audit strategy for the year ending December 31, 2026, which outlines the scope, timing and direction of the audit, as well as the allocation of audit hours among the planning, execution and reporting stages, and among audit team members at various levels.

Rongcheng Hong Kong's proposed audit team is expected to devote a total of not less than 3,000 hours to the engagement.

Rongcheng Hong Kong's audit methodology adopts a risk-based audit strategy, covering risk assessment, obtaining an understanding of internal controls, designing and performing targeted audit procedures, and concluding and reporting on the audit. Key audit areas include revenue recognition, inventory impairment, expected credit loss provisions, R&D expenditure, connected transactions, going concern assessment and impairment of long-term assets, which are consistent with the Group's risk profile and the nature of its principal business activities.

The Audit Committee is satisfied that Rongcheng Hong Kong's proposed team structure includes sufficient professional personnel, with appropriate supervision, technical rigor and execution capabilities, to conduct a high-quality audit.

(v) Communication and Interaction with the Audit Committee

Rongcheng Hong Kong has committed to maintaining continuous two-way communication with the Audit Committee and management through the following means:

1. Holding a kick-off meeting during the audit planning stage to discuss the audit scope, audit methodology, risk assessment, materiality level and timetable;

2. Holding a closing meeting during the audit completion stage to report audit findings, significant judgements, audit adjustments (if any), unresolved matters (if any) and audit conclusions before the annual results and audited financial statements are finalized; and

3. Throughout the audit process, arranging private meetings with the Audit Committee as appropriate, in the absence of management, to review key matters.

(vi) Monitoring Procedures and Practice Quality

The Audit Committee has obtained and reviewed public information on the websites of the AFRC and the Hong Kong Institute of Certified Public Accountants regarding investigations and disciplinary actions against audit firms. Based on its review of such information, the Audit Committee notes that the AFRC imposed disciplinary sanctions comprising a public censure and a fine on Rongcheng Hong Kong (known at the material time as CL Partners CPA Limited) in January 2026 in respect of breaches of registration and notification requirements occurring during 2022–2023. Upon reviewing the disciplinary decision statement and communicating with Rongcheng Hong Kong, the Audit Committee is of the view that this incident constitutes a historical compliance issue with the firm's registration procedures prior to its name change and does not involve errors in audit judgement. Notwithstanding that the AFRC characterized the relevant breaches as serious, given their procedural nature and the absence of intentional or fraudulent conduct, the Audit Committee considers that this incident will not impair the objectivity or independence of Rongcheng Hong Kong, or the quality of audit services provided by it to the Company, nor will it materially adversely affect the Audit Committee's assessment of Rongcheng Hong Kong's independence and competence. Save as disclosed above, so far as the Audit Committee is aware, there are no other pending or recently concluded disciplinary investigations or sanctions concerning Rongcheng Hong Kong.

Rongcheng Hong Kong has established a firm-level quality management system in accordance with Hong Kong Standard on Quality Management 1, covering the risk assessment process, governance and leadership, ethical requirements, client acceptance and continuance, engagement performance, resources, information and communication, and monitoring and remediation. Rongcheng Hong Kong is supervised under Rongcheng China's unified quality control system to ensure that the quality of its practice meets international standards.

Conclusion of Assessment

Having considered the factors set out in Section 2 of the Effective Audit Committee Guidelines, the Audit Committee is satisfied that Rongcheng Hong Kong is independent, professionally competent and capable, and is able and suitable to act as the auditor of the Company. The Board also concurs with the view of the Audit Committee.

EGM

The Board and the Audit Committee are of the view that the Proposed Change of Auditor will, while maintaining audit quality, enable the Company to carry out more effective cost control and thereby more effectively support its future business development, and is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Shareholders are recommended to vote in favor of the ordinary resolution relating to the Proposed Change of Auditor at the EGM.

The EGM will be convened shortly, at which the resolution for the Proposed Change of Auditor will be proposed for the consideration of the Shareholders. To the best of the Directors' knowledge, information and belief, no Shareholder has a material interest in such resolutions, and therefore no Shareholder is required to abstain from voting at the EGM.

A circular containing, among other things, details of the Proposed Change of Auditor, together with the notice convening the EGM, has been published and despatched to the Shareholders on the same date as this announcement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
iMotion Automotive Technology (Suzhou) Co., Ltd.
SONG Yang
Chairman of the Board and Executive Director

Hong Kong, November 2, 2026

As of the date of this announcement, the Board comprises Mr. SONG Yang as chairman of the Board and executive Director; Mr. LU Yukun and Ms. LIU Fang as executive Directors; and Dr. ZHANG Weigong, Ms. XUE Rui Shirley and Dr. SHAO Jun as independent non-executive Directors.