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Lajin Entertainment Network Group Limited
拉近網娛集團有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8172)

SUPPLEMENTAL ANNOUNCEMENT
CHANGE OF AUDITOR

Reference is made to the announcement of Lajin Entertainment Network Group Limited (the “**Company**”) dated 9 January 2026 (the “**Announcement**”) in relation to the change of auditor. 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 information supplemental to the Announcement:

THE DETAILED CHRONOLOGY OF EVENTS LEADING TO THE CHANGE OF AUDITOR

Date	Event
25 November 2025	<p>The Company received an audit fee proposal from BDO, predecessor auditor of the Company, of HKD1.06 million, including out-of-pocket expenses (“OPE”), for the year ending 31 December 2025. From previous conversations, BDO emphasized that that the fee of audit for the year ending 31 December 2025 (“2025 Audit”) cannot be further reduced as the audit fee for the year ended 31 December 2024 of HKD1.06 million has been reduced from HKD1.40 million for the prior year. Moreover, the audit fee should be paid by two instalments with the 1st instalment to be due upon signing of engagement letter and the final instalment to be paid on or before announcement date.</p> <p>In view of the current financial situation of the Company, there is a need to carry out more stringent cost control measures. Also, the audit for the year ending 31 December 2025 has not started yet at the relevant time. The management of the Company believed that it is in the best interest of the Company to explore alternatives of audit firms for the Audit Committee to consider.</p>

25 November 2025	<p>RCHK has been acting as the auditor for a few subsidiaries of the Company in previous years and has submitted an audit fee quotation for the year ended 31 December 2024 (under previous name CL Partners Limited) previously. Although the Company did not change the auditor for the 2024 audit, there is an established working relationship with RCHK. Thus the Company contacted RCHK and enquired if RCHK is interested in submitting a quotation for the 2025 Audit.</p> <p>On the same day, the Company received the audit proposal and firm introduction from RCHK. RCHK proposed an audit fee of HKD860,000, including OPE for the 2025 Audit.</p>
28 November 2025	<p>The Company received an audit fee quotation from another audit firm of HKD980,000, exclusive of OPE.</p> <p>After evaluating all available information, the management of the Company believed that RCHK was the best possible candidate and thus liaised with RCHK to perform a due diligence (“DD”) on the Company to see if RCHK can act as the auditor of the Company before submitting to the Audit Committee for further consideration.</p>
28 November 2025 to 15 December 2025	<p>RCHK performed a DD on the Company and notified the Company that RCHK has completed the internal client acceptance procedures on 15 December 2025.</p>
17 December 2025	<p>The management of the Company reported to the Audit Committee for the recommendation of the change of auditor, sending all relevant information, including but not limited to, the profiles, audit plan and timetable, preliminary quotation, engagement personnel and listed companies audit experience of RCHK to the Audit Committee. These information is included in the audit proposal and firm introduction of RCHK. After detailed enquiry with the management, the Audit Committee resolved to recommend to the Board to propose the appointment of RCHK as the auditor of the Company for the 2025 Audit after discussion.</p>
19 December 2025 to 9 January 2026	<p>The management of the Company contacted BDO for the decision of the Audit Committee. BDO performed internal clearance procedures for the resignation of auditor and completed the required procedures on 9 January 2026.</p>
9 January 2026	<p>The management updated the Board for the change of auditor after BDO’s resignation and an announcement was published on the same day.</p>

AUDIT FEE AND AUDIT QUALITY

After comparing the audit fee of HKD1.06 million proposed by BDO with another of HKD860K proposed by RCHK, and also reference to the quotation of another reputable CPA firm, the Audit Committee considered that the reduced fee proposed by RCHK is not unreasonable and audit quality should not be affected just because of this disparity.

In view of the financial situation of the Company, the Audit Committee considered that a more stringent cost control and prioritizing an auditor with a more competitive quotation is in the best interest of the Company and the Shareholders.

Based on a preliminary communication with RCHK, the following human resources will be allocated to the 2025 Audit, including one engagement director to monitor the engagement; one engagement quality control director responsible for the audit quality control; one technical director for the accounting treatment advisory and financial statements review; and an audit team which includes one manager, two experienced audit seniors and three audit staff to execute the audit.

The above engagement structure does not deviate from the normal practice of listed-company audit. Also, the audit timeline leading to the completion of the 2025 Audit does not differ materially from BDO and is expected to comply with the listing rules requirement. Moreover, the Audit Committee understood that RCHK has become a member firm of Rongcheng China recently and expected the incoming auditor can leverage with the resources from Rongcheng China accordingly. It is expected that the incoming audit team, especially for field work, would mainly comprise of staff from mainland China and the lower chargeout rate is believed to be the main reason for the reduced fee quote. Based on the audit plan from RCHK, the audit approach and the areas of significant key audit matters highlighted are similar to the predecessor auditor, it is believed that the audit quality of RCHK will not be compromised due to the reduced fee.

AUDIT APPROACH AND AUDIT PLAN

The overall audit approach of RCHK is: i) understanding the audited entity and its environment, and assessing the risks of material misstatement; ii) determining audit measures and the nature, timing and extent of further audit procedures to be performed based on the assessed risks of material misstatement; and iii) establishing communication mechanisms with the audited entity before, during and after the audit.

Audit plan and procedure suggested by RCHK with detailed steps are as follows:

Preliminary research, planning and risk assessment stage	This stage mainly includes preliminary communication with the Company to understand the Company and its environment based on the last year's annual report, interim report or latest financial information. Part of the audit procedures in this phase were covered during the DD work during the client acceptance procedures of the incoming auditor during the period from 28 November 2025 to 15 December 2025;
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Opening balance auditing stage	This stage mainly includes implementation of necessary audit procedures for opening balances of financial statements. RCHK received professional clearance from BDO on 9 January 2026 and the required follow-up audit work will be performed in January 2026.
Field work stage (onsite auditing)	This stage is scheduled to execute in February 2026 and perform detailed audit procedures on all items of financial statements according to the requirements of Hong Kong Financial Reporting Standards, which mainly include examination, observation, enquiry, external confirmation, recalculation, re-performing, analysis procedure, walk-through tests, etc. It is understood that the predecessor auditor performed field audit in similar timing last year and more personnel will be allocated to the field audit by RCHK to perform the necessary incoming-auditor procedures for the 2025 Audit. Thus, delay is not expected in the audit progress for the 2025 Audit despite there is a change of auditor;
Preparation of audit report and communication stage	This stage is scheduled to execute in late February to early March 2026 which mainly includes aggregation of audit findings, formulation of preliminary conclusion, discussions on material audit adjustment matters, key audit matters, material accounting policies and estimates with the board of directors and the management of the Company, and preparation of and internal review on preliminary audit report;
Completion of audit report and project review stage	This stage is scheduled to execute in mid March 2026 which mainly includes completion of and discussion on audit report, and performing project quality control review procedures at a firm level;
Official issue of the result announcement stage	This stage is scheduled to execute by the end of March 2026 which mainly includes completion of all review procedures and signing off the result announcement in compliance with the GEM Listing Rules.

AUDIT COMMITTEE ASSESSMENT

The Audit Committee has performed duly assessment on the independence, competence and capability of the incoming auditor as below:

Independence:

RCHK's firm introduction includes all partners and senior management of RCHK, the Audit Committee members have checked against the information and confirmed that there are no personal relationship between RCHK's shareholders, directors, signing partner and reviewing partners;

Competence:

The Audit Committee members understood that RCHK is a Registered PIE Auditor under Accounting and Financial Reporting Council and have assessed the public information disclosed by the Ministry of Finance of the PRC. It is believed that RCHK possesses required competence based on its high ranking;

Capability:

Based on the audit proposal and the firm introduction of RCHK, RCHK was established in 2008 and now has over 39 clients and 18 clients listed in main board and GEM of the Stock Exchange respectively. Services of RCHK provided include assurance, tax advisory, corporate services and transactions advisory. Most of the professional team has audit experience in Big Four accounting firms.

Moreover, it is understood that RCHK is a member firm of Rongcheng China. Rongcheng China ranked third in overall ranking and first in Chinese local firm in the Ranking Information of the Top 100 Accounting Firms for Comprehensive Evaluation in 2024 (2024年度會計師事務所綜合評價百家排名信息) issued by the Chinese Institute of Certified Public Accountants.

The Audit Committee believed that RCHK is independent, competent and capable of being the Company's auditor and best serves the needs of the current situation of the Company.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Thursday, 13 November 2025 and will continue to be suspended until further notice.

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
Lajin Entertainment Network Group Limited
Leung Wai Shun Wilson
Executive Director

Hong Kong, 5 February 2026

As at the date of this announcement, the executive directors are Mr. Colin Xu and Mr. Leung Wai Shun Wilson; the non-executive directors are Mr. Zou Xiao Chun, Mr. Zhou Ya Fei; Mr. Li Xue Song and Ms. Wu Qian and the independent non-executive directors are Mr. Ng Wai Hung, Mr. Lam Cheung Shing Richard and Mr. Wang Ju.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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.

* For identification only