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河北建設集團股份有限公司

**HEBEI CONSTRUCTION GROUP CORPORATION LIMITED**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1727)**

## **PROPOSED CHANGE OF DOMESTIC AUDITOR**

This announcement is made by Hebei Construction Group Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of The Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

To control costs of the Company, uphold good corporate governance practices and safeguard the overall interests of the Company and its shareholders (the “**Shareholders**”), having considered, among other factors, the level of the Company’s audit fee, the market environment of the construction industry in 2026, the Group’s current business scale and operating conditions, as well as the fact that the current domestic auditor of the Company, Ernst & Young Hua Ming LLP (“**EY Hua Ming**”), has provided audit services to the Company for nine financial years, the board of directors (the “**Board**”) of the Company and the audit committee (the “**Audit Committee**”) of the Board have reviewed the need to change the domestic auditor. The Board resolved not to reappoint EY Hua Ming as the Company’s domestic auditor for 2026, therefore, EY Hua Ming will retire as the Company’s auditor upon the conclusion of the 2025 annual general meeting (the “**2025 AGM**”) of the Company and will not seek reappointment as the Company’s auditor.

The Company has consulted EY Hua Ming in advance in relation to the proposed change of auditor, and EY Hua Ming has no objection thereto. EY Hua Ming has confirmed in writing to the Company that there are no matters in connection with its retirement that require the attention of the Shareholders or creditors. The Board and the Audit Committee also confirm that there is no disagreement or unresolved matter between EY Hua Ming and the Company, and there are no other matters relating to the proposed change of the domestic auditor and the retirement of EY Hua Ming that require the attention of the Shareholders or creditors.

As at the date of this announcement, EY Hua Ming had not commenced any audit work on the Group’s consolidated financial statements for the year ending 31 December 2026. The Board is of the view that the retirement of EY Hua Ming will not result in any material adverse impact on the

Group’s audit work for the year ending 31 December 2026. The Board would like to take this opportunity to express its sincere gratitude to EY Hua Ming for the professional services rendered to the Company over the past years.

In view of the good reputation and influence of RSM China CPA LLP (“**RSM**”) in the capital market and its familiarity with the relevant regulatory requirements of the capital market, upon the recommendation of the Audit Committee, the Board has resolved to propose the appointment of RSM as the domestic auditor of the Company for 2026. RSM will audit the financial statements of the Company prepared under the China Accounting Standards for Business Enterprises, and take over the duties that the overseas auditor is required to perform pursuant to the Listing Rules. Its term of office shall become effective from the date of approval at the 2025 AGM until the conclusion of the 2026 annual general meeting of the Company.

In assessing the appointment of RSM as the Company’s domestic auditor, the Audit Committee has considered multiple factors, including but not limited to: (i) the scale of the Group’s business; (ii) RSM’s extensive experience, appropriate industry knowledge and technical capabilities in providing audit services to companies listed on the Stock Exchange; (iii) its independence and objectivity in relation to the Group; (iv) its resources and capabilities; (v) its audit proposals and fee proposals in relation to the scope of audit services required by the Group and the Group’s current scale of operations; and (vi) the relevant guidelines issued by the Accounting and Financial Reporting Council (the “**AFRC**”), including Part II of the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors issued by the AFRC.

On 30 March 2026, the management of the Company communicated with the Audit Committee regarding the term of office of the Company’s current domestic auditor EY Hua Ming and the need to change the domestic auditor. From April to May 2026, the Company approached 14 accounting firms and conducted preliminary assessments to identify a new domestic auditor of the Company and obtain estimated audit fees from the accounting firms for the audit work of the Company for the year ending 31 December 2026. On 1 June 2026, the management of the Company conducted internal discussions and assessments. On 5 June 2026, the Company held a meeting of the Audit Committee to consider and approve the resolution on the proposed change of the domestic auditor, and made a suggestion to the Board on the appointment of RSM as the Company’s domestic auditor to conduct the audit work of the Company for the year ending 31 December 2026. On the same day, the Company held a Board meeting to consider and approve the resolution on the proposed change of the domestic auditor, subject to approval by the Shareholders at the 2025 AGM.

RSM is a practising accounting firm recognised by the Ministry of Finance of the PRC and the China Securities Regulatory Commission, and is qualified to provide audit services to issuers incorporated in the Chinese mainland and listed in Hong Kong in accordance with the Auditing Standards of Chinese Certified Public Accountants. The Audit Committee has considered and confirmed the independence of RSM as the Company’s auditor.

In light of the above, the Board and the Audit Committee have assessed and considered that RSM is qualified and suitable to serve as the Company's domestic auditor. The Board and the Audit Committee consider that: (i) having regard to the scale of the Group's business operations and assets, the audit fees agreed with RSM are commensurate with the scope of audit work required by the Group; (ii) the change of auditor will maintain a high standard of audit and is in the interests of the Company and its shareholders as a whole; and (iii) RSM possesses the independence, qualifications and capability (including personnel, expertise, time and other resources) to perform high-quality audit work for the Company.

The Company has preliminarily estimated that the audit fee for 2026 will be approximately RMB3.30 million to RMB3.80 million (excluding tax). Such estimated audit fee has been determined after negotiation between the Company and RSM, taking into account the complexity and scale of the Company's business operations, the expected scope of audit work, the audit timetable, and the level of auditor resources required to perform the audit engagement. This estimated audit fee is preliminary and is made on the assumption that there are no material changes in the scope of audit work for the Group's consolidated financial statements for the year ending 31 December 2026 as compared with that for the year ended 31 December 2025. Accordingly, the audit fee for 2026 may be adjusted during the course of business operations due to changes in the scope of audit work and other relevant factors. The final audit fee for 2026 will be submitted by the Board to the 2025 AGM, at which the Board and its authorised persons will be authorised to determine its amount.

A circular containing, among other things, details of the proposed appointment of the domestic auditor, together with the notice of the 2025 AGM, will be published on the HKEXnews website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.hebjs.com.cn](http://www.hebjs.com.cn)), and will be dispatched to H Shareholders of the Company who have indicated that they wish to receive a printed version of the corporate communications of the Company in due course.

By order of the Board  
**Hebei Construction Group Corporation Limited**  
**LI Baozhong**  
*Chairman and Executive Director*

Hebei, the PRC  
5 June 2026

*As of the date of this announcement, the executive directors are Mr. LI Baozhong, Mr. SHANG Jinfeng, Mr. ZHAO Wensheng, Mr. TIAN Wei and Mr. ZHANG Wenzhong; the non-executive director is Mr. LI Baoyuan; and the independent non-executive directors are Ms. SHEN Lifeng, Ms. CHEN Xin and Mr. CHAN Ngai Sang Kenny.*