

CHINA QINFA GROUP LIMITED
PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP
AS AT 31 DECEMBER 2024

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Introduction to the unaudited pro forma financial information

The following is the unaudited pro forma financial information of China Qinfa Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) upon the completion of the disposal of 100% equity interest of Perpetual Goodluck Limited (the “**Disposal Company**”) (the “**Disposal**”) (the “**Remaining Group**”), comprising the unaudited pro forma consolidated statement of financial position as at 31 December 2024, the unaudited pro forma consolidated statement of comprehensive income and unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2024 and related notes, which have been prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The unaudited pro forma financial information of the Remaining Group has been prepared to illustrate the effects of the completed Disposal on the financial position of the Group as at 31 December 2024 as if the Disposal had been completed on 31 December 2024, and the Group’s financial performance and cash flows for the year ended 31 December 2024 as if both the Disposal had been completed on 1 January 2024. Details of the Disposal are set out in the “**Letter from the Board**” contained in the circular dated 25 June 2025 (the “**Circular**”) issued by the Company.

The unaudited pro forma financial information has been prepared for illustrative purposes only and is based on certain assumptions, estimates, uncertainties and other currently available information. Accordingly, and because of its hypothetical nature, the unaudited pro forma financial information of the Remaining Group may not give a true picture of the financial position, financial performance or cash flows of the Remaining Group following the completion of the Disposal. Further, the unaudited pro forma financial information of the Remaining Group does not purport to predict the Group’s future financial position, financial performance or cash flows.

The unaudited pro forma financial information of the Remaining Group has been prepared based upon the consolidated statement of the financial position of the Group as at 31 December 2024, the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year ended 31 December 2024, which have been extracted from the published annual report of the Group dated 24 March 2025 for the year ended 31 December 2024 after making pro forma adjustments as summarised in the accompanying notes that are clearly shown and explained, directly attributable to the Disposal and no relating to future events or decisions, factually supportable and clearly identified as to those have a continuing effect on the Group and those have not.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 31 December 2024

	The Group RMB'000 Note 1	RMB'000 Note 2(a)	RMB'000 Note 2(b)	Pro forma adjustments RMB'000 Note 2(c)	RMB'000 Note 2(d)	RMB'000 Note 2(e)	The Remaining Group RMB'000
ASSETS							
Non-current assets							
Coal mining rights	1,426,933	-	-	(1,378,451)	-	-	48,482
Property, plant and Right-of-use assets	4,422,866	-	-	(2,136,786)	-	-	2,286,080
Other deposit	21,091	-	-	(3,954)	-	-	17,137
Interest in an associate	129,045	-	-	-	-	-	129,045
Pledged and restricted	9,810	-	-	-	-	-	9,810
Deferred taxation	544,000	-	-	-	-	-	544,000
	-	-	-	353	-	-	353
	6,553,745	-	-	(3,518,838)	-	-	3,034,907
Current assets							
Inventories	435,422	-	-	(33,319)	-	-	402,103
Trade receivable	74,196	806,955	-	(679,994)	(149,468)	-	51,689
Prepayments and other	388,758	12,249,946	9,394	(6,240,187)	(6,163,964)	-	243,947
Pledged and restricted	151,663	-	-	(30,663)	-	-	121,000
Cash and cash equivalents	1,025,545	-	-	(1,954)	-	-	1,023,591
	2,075,584	13,056,901	9,394	(6,986,117)	(6,313,432)	-	1,842,330
Total assets	8,629,329	13,056,901	9,394	(10,504,955)	(6,313,432)	-	4,877,237

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 31 December 2024 (Continued)

	The Group RMB'000 Note 1	RMB'000 Note 2(a)	Pro forma adjustments RMB'000 Note 2(b)	RMB'000 Note 2(c)	RMB'000 Note 2(d)	RMB'000 Note 2(e)	The Remaining Group RMB'000
Current liabilities							
Trade payables	(325,425)	(806,955)	-	320,265	657,487	-	(154,628)
Other payables and contract liabilities	(2,865,228)	(12,249,946)	(9,394)	8,395,636	5,655,945	417,000	(655,987)
Lease liabilities	(6,587)	-	-	-	-	-	(6,587)
Borrowings	(737,990)	-	-	408,000	-	-	(329,990)
Tax payable	(232,802)	-	-	214,121	-	-	(18,681)
Deferred income	(2,500)	-	-	-	-	-	(2,500)
	(4,170,532)	(13,056,901)	(9,394)	9,338,022	6,313,432	417,000	(1,168,373)
Non-current liabilities							
Accrued reclamation	(104,625)	-	-	102,658	-	-	(1,967)
Lease liabilities	(7,033)	-	-	-	-	-	(7,033)
Borrowings	(446,500)	-	-	11,000	-	(387,074)	(822,574)
Deferred taxation	(395,052)	-	-	395,052	-	-	-
Deferred income	(19,342)	-	-	-	-	-	(19,342)
	(972,552)	-	-	508,710	-	(387,074)	(850,916)
Net asset	3,486,245	-	-	(658,223)	-	29,926	2,857,948
EQUITY							
Share capital	215,202	-	-	-	-	-	215,202
Perpetual subordinated Deficit	156,931	-	-	-	-	-	156,931
	1,599,666	-	-	195,937	-	29,926	1,825,529
	1,971,799	-	-	195,937	-	29,926	2,197,662
Non-controlling interests	1,514,446	-	-	(854,160)	-	-	660,286
Total equity	3,486,245	-	-	(658,223)	-	29,926	2,857,948

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Unaudited pro forma consolidated statement of comprehensive income of the Remaining Group for the year ended 31 December 2024

	The Group RMB'000 Note 1	RMB'000 Note 3(a)	Pro forma adjustments RMB'000 Note 3(b)	RMB'000 Note 3(c)	The Remaining RMB'000
Revenue	2,600,933	1,676,855	(1,672,258)	-	2,605,530
Cost of sales	(2,086,390)	(1,672,821)	1,468,229	-	(2,290,982)
Gross profit	514,543	4,034	(204,029)	-	314,548
Other income, gains and losses	547,302	-	(589,428)	-	(42,126)
Distribution expenses	(3,617)	-	16	-	(3,601)
Administrative expenses	(239,224)	-	73,253	-	(165,971)
Impairment losses on coal mining rights	(34,907)	-	34,907	-	-
Impairment losses on property, plant and	(14,925)	-	14,925	-	-
Impairment losses on other receivables, net	(1,273)	-	344	-	(929)
Reversal of impairment losses on investment in	9,810	-	-	-	9,810
Other expenses	(27,291)	-	23,371	-	(3,920)
Operating profit	750,418	4,034	(646,641)	-	107,811
Finance income	9,174	-	(84)	-	9,090
Finance expenses	(170,793)	-	150,085	(25,071)	(45,779)
Finance costs - net	(161,619)	-	150,001	(25,071)	(36,689)
Profit before income tax	588,799	4,034	(496,640)	(25,071)	71,122
Income tax expenses	(32,429)	4	(3,024)	-	(35,449)
Profit for the year	556,370	4,038	(499,664)	(25,071)	35,673
Other comprehensive income/(loss)					
<i>Items that may be reclassified to profit or loss</i>					
- Exchange differences on translation of foreign	28,354	-	-	-	28,354
Item that will not be reclassified to profit or loss:					
- Remeasurements of net defined benefit	(566)	-	-	-	(566)
Total comprehensive income for the year, net	584,158	4,038	(499,664)	(25,071)	63,461

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Unaudited pro forma consolidated statement of comprehensive income of the Remaining Group for the year ended 31 December 2024 (Continued)

	The Group RMB'000 <i>Note 1</i>	Pro forma adjustments			The Remaining Group RMB'000
		RMB'000 <i>Note 3(a)</i>	RMB'000 <i>Note 3(b)</i>	RMB'000 <i>Note 3(c)</i>	
Profit attributable to:					
- Ordinary shareholders of the Company	501,944	4,038	(437,288)	(25,071)	43,623
- Non-controlling interests	54,426	-	(62,376)	-	(7,950)
	<u>556,370</u>	<u>4,038</u>	<u>(499,664)</u>	<u>(25,071)</u>	<u>35,673</u>
Total comprehensive income attributable to:					
- Ordinary shareholders of the Company	529,732	4,038	(437,288)	(25,071)	71,411
- Non-controlling interests	54,426	-	(62,376)	-	(7,950)
	<u>584,158</u>	<u>4,038</u>	<u>(499,664)</u>	<u>(25,071)</u>	<u>63,461</u>

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Unaudited pro forma consolidated statements of cash flows of the Remaining Group for the year ended 31 December 2024

	The Group RMB'000 Note 1	Pro forma adjustments		RMB'000 Note 3(d)	The Remaining RMB'000
	RMB'000 Note 3(a)	RMB'000 Note 3(b)			
Cash generated from operations	921,145	-	(994,111)	-	(72,966)
Income tax paid	(221,489)	-	200,286	-	(21,203)
Interest paid	(232,728)	-	129,453	-	(103,275)
Net cash generated from operating activities	466,928	-	(664,372)	-	(197,444)
Cash flows from investing activities					
Interest received	8,387	-	(84)	-	8,303
Proceeds from disposal of property, plant and equipment	8,279	-	(8,142)	-	137
Payments for property, plant and equipment	(851,455)	-	173,029	-	(678,426)
Repayments to related parties	-	(208,911)	-	-	(208,911)
Net proceeds from disposal of Disposal Group	-	-	-	23,144	23,144
Withdrawal of pledged and restricted deposits	222,632	-	(15,632)	-	207,000
Net cash used in investing activities	(612,157)	(208,911)	149,171	23,144	(648,753)
Cash flows from financing activities					
Proceeds from partial disposal of subsidiaries	2,924,885	-	-	-	2,924,885
Proceeds from borrowings	531,096	-	(434,000)	-	97,096
Repayments of borrowings	(2,641,337)	409,000	1,126,807	-	(1,105,530)
Repayments of principal portion of lease	(6,568)	-	-	-	(6,568)
Proceeds from exercise of share options	15,646	-	-	-	15,646
Repayments to related parties	-	(200,089)	(208,911)	-	(409,000)
Net cash from financing activities	823,722	208,911	483,896	-	1,516,529
Net increase in cash and cash equivalents	678,493	-	(31,305)	23,144	670,332
Cash and cash equivalents at beginning of the year	302,732	-	-	-	302,732
Effect of foreign exchange rate changes	44,320	-	2,652	-	46,972
Cash and cash equivalents at end of the year	1,025,545	-	(28,653)	23,144	1,020,036

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

1. The Group's financial information is based upon the consolidated financial information of **the Group** for the year ended 31 December 2024, which has been derived from the Company's published annual report for the year then ended.

In connection with the Disposal and to separate the business of the Remaining Group and the business of the Disposal Company and its subsidiaries (together the "**Disposal Group**"), the Disposal Group had gone through the following major restructuring steps during the period from 1 January 2025 to the execution of the equity transfer agreement.

On 15 April 2025, the 100% equity of Baotou Danghui Materials Trading Co., Limited (包頭市黨惠物資貿易有限公司) ("Baotou") were transferred by Zhuhai Qinfa Logistics Co., Limited (珠海秦發物流有限公司), a subsidiary of the Remaining Group, to Xinzhou Qinfa Yisheng Trade Co., Limited (忻州秦發易盛貿易有限公司), a direct subsidiary of the Disposal Company, at a consideration of RMB9,394,000 (the "**Reorganisation**").

2. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of financial position, assuming the Disposal and the Reorganisation, had taken place on 31 December 2024:

- (a) The adjustment represents the intra-group balances between the Disposal Group and the Remaining Group which were eliminated on consolidation.
- (b) The adjustment represents to the consideration of Reorganisation which were recognised as the Remaining Group's amount due from the Disposal Group.
- (c) The adjustments represent the de-recognition of assets and liabilities of the Disposal Group as at 31 December 2024. The assets and liabilities of the Disposal Group are extracted from the unaudited combined statement of financial position of the Disposal Group set out in Appendix II to this Circular. Furthermore, it assumes the total consideration payable by Add Harmony Group Limited (the "Purchaser") to the Remaining Group for the acquisition of the 100% equity interest in the Disposal Company (the "Consideration") will be satisfied in cash, as if the Disposal had been completed on 31 December 2024:

	Notes	RMB'000
Consideration		30,000
Less: Carrying amount of equity interest disposed of	(i)	169,492
Less: Estimated expenses directly attributable to the Disposal	(ii)	<u>(3,555)</u>
Estimated gain on the Disposal as equity transaction		<u>195,937</u>

The actual amounts of the carrying value of the Disposal Group and the gain/loss on the Disposal directly recorded in equity can only be determined at the date of completion of the Disposal, which may be substantially different from the estimated amounts used in the preparation of the unaudited pro forma financial information.

note (i): The carrying amount of the equity interest disposed of is determined as 100% of the Disposal Group's total equity as if the reorganisation as disclosed in note 1 is completed. Therefore, for the purpose of the pro forma adjustment, the carrying amount of the equity interest disposed of is based on the 100% of the Disposal Group's total equity as at 31 December 2024 as set out in Appendix II.

note (ii): The estimated expenses directly attributable to the disposal amounting to RMB3,555,000 will be borne by the Remaining Group and are assumed to be settled in cash after the Disposal.

NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP
(CONTINUED)

- (d) Subsequent to the date of the sale and purchase agreement in connection with the Disposal, the Remaining Group entered into a legally binding agreement with the Disposal Group, under which the gross intra-group balances between the two groups would be mutually offset into one single net balance between the two groups for the purpose of the Disposal. The adjustment represents such offsetting arrangement.
- (e) The Disposal Group has banking facilities obtained from three domestic banks in an aggregate amount of RMB417,000,000 (the "Bank Loans"), which remain guaranteed by the Remaining Group upon completion of the Disposal. In order to secure the continued provision of guarantees by the Remaining Group for the Disposal Group's Bank Loans following the Disposal, the Disposal Group as lender (the "Lender") and the Remaining Group as borrower (the "Borrower") entered into a legally binding agreement (the "Agreement") and the Lender agreed to make available to the Borrower the loan of RMB417,000,000 (the "Loan").

The Borrower and the Lender agree that the Loan provided by the Lender to the Borrower under this Agreement shall be interest-free. No interest shall accrue on the outstanding principal amount of the Loan at any time, and the Borrower shall have no obligation to pay any interest, fees, or other amounts in connection with the Loan.

The principal amount of the Loan advanced to the Borrower shall be repaid in full by the Borrower on the date on which the Remaining Group's guarantees for all the Bank Loans have been irrevocably released, discharged or terminated in full, as evidenced by written confirmation from the relevant banks. No early repayments of the Bank Loans by the Disposal Group shall be made without prior written consent of the Remaining Group.

The Remaining Group and the Disposal Company agreed to offset the Loan amount of RMB417,000,000 through the intra-group balance. The reconciliation of the amount of the borrowing is as follows,

	RMB'000
Original amount of the Loan	417,000
Less: adjustment for imputed interest (note)	<u>(29,926)</u>
Present value of the Loan	<u><u>387,074</u></u>

Note:

This item represents the unwinding of discount on the Loan, calculated based on the interest rates applicable to the relevant Bank Loans as disclosed above.

NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP
(CONTINUED)

3. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2024, assuming the Disposal and the Reorganisation had taken place on 1 January 2024:

- (a) The adjustment represents intra-group transactions between the Disposal Group and the Remaining Group which are eliminated on consolidation.
- (b) The adjustments represent the exclusion of operating results/cash flows of the Disposal Group for the year ended 31 December 2024, assuming the Disposal had taken place on 1 January 2024. The operating results and cash flows of the Disposal Group are extracted from the unaudited combined statement of comprehensive income and unaudited combined statement of cash flows of the Disposal Group set out in Appendix II to this circular, respectively.
- (c) The adjustments represent the interest expense related to the Loan which is detailed in note 2(e), assuming the Disposal had taken place on 1 January 2024.
- (d) The adjustments represent the proceeds and payment for the Disposal assuming the Disposal had taken place on 1 January 2024 and is calculated as follows:

	RMB'000
Consideration	30,000
Less: Estimated expenses directly attributable to the Disposal (note)	(3,555)
Less: Cash and cash equivalent of the Disposal Group as at 1 January 2024	<u>(3,301)</u>
Estimated net cash inflow arising from the Disposal	<u>23,144</u>

Note:

The estimated expenses directly attributable to the Disposal represent costs and expenses directly incurred for the Disposal of RMB3,555,000 which will be borne by the Remaining Group and are assumed to be settled in cash.

- 4. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 1 January 2024 or 31 December 2024 for the purpose of preparation of The Unaudited Pro Forma Financial Information of the Remaining Group.
- 5. The pro forma adjustments 3(a), 3(b) and 3(d) are not expected to have a continuing effect on the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE
REMAINING GROUP



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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION
OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

To the Directors of China Qinfa Group Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of China Qinfa Group Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 31 December 2024, the unaudited pro forma consolidated statement of comprehensive income and unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2024 and related notes (the "Unaudited Pro Forma Financial Information") as set out in Part A of Appendix III to the circular dated 25 June 2025 issued by the Company (the "Circular"). The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are described in Part A of Appendix III to the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the very substantial disposal in relation to the disposal of 100% equity interest in Perpetual Goodluck Limited (the "Disposal") on the Group's financial position as at 31 December 2024 and the Group's financial performance and cash flows for the year ended 31 December 2024 as if the Disposal had taken place at 31 December 2024 and 1 January 2024, respectively. As part of this process, information about the Group's financial position as at 31 December 2024 and the Group's financial performance and cash flows for the year ended 31 December 2024 has been extracted by the directors of the Company from the consolidated financial statements of the Company for the year ended 31 December 2024, on which an auditor's report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION (COTINUED)

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at 31 December 2024 or 1 January 2024 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors of the Company in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION
OF UNAUDITED PRO FORMA FINANCIAL INFORMATION (CONTINUED)**

Opinion

Except for the existence of material uncertainties that may cast significant doubt in the Group's ability to continue as a going concern, in our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The auditor's report on the consolidated financial statements of the Company for the year ended 31 December 2024 contained an unqualified opinion with material uncertainties related to going concern, as more fully described in the published annual report of the Company for the year ended 31 December 2024 dated 24 March 2025. These facts and circumstances indicate the existence of material uncertainties which may cast significant doubt over the Group's ability to continue as a going concern.

Moore CPA Limited
Certified Public Accountants

Leung Man Chung
Practising Certificate Number: P08074

Hong Kong, 25 June 2025