



范陳會計師行有限公司
Fan, Chan & Co. Limited

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

To the directors of Wuxi Life International Holdings Group Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Wuxi Life International Holdings Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Company as at 31 December 2023, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages 1 to 2 of Appendix II of the Company’s circular dated 9 April 2024 (the “**Circular**”) in connection with the proposed capital reorganisation (the “**Capital Reorganisation**”) and the proposed rights issue on the basis of two rights shares for every one adjusted share of the Company (the “**Rights Issue**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages 1 to 2 of Appendix II of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Capital Reorganisation and the Rights Issue on the Group’s financial position as at 31 December 2023 as if the Capital Reorganisation and the Rights Issue had taken place as at 31 December 2023. As part of this process, information about the Group’s net tangible assets has been extracted by the Directors from the Group’s financial information for the year ended 31 December 2023, in respect of which an annual results announcement has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM 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**”).



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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 behavior.

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

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM 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 have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM 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 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.



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The purpose of Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of the Capital Reorganisation and the Rights Issue on unadjusted financial information of the Group as if the Capital Reorganisation and the Rights Issue 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 Capital Reorganisation and the Rights Issue 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 in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Capital Reorganisation and the Rights Issue, 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 Capital Reorganisation and the Rights Issue 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.



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Opinion

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 7.31(1) of the GEM Listing Rules.

Fan, Chan & Co. Limited

Certified Public Accountants

Leung Kwong Kin

Practising Certificate Number: P03702

Hong Kong

9 April 2024

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effect of the proposed Capital Reorganisation and the proposed Rights Issue on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as if the Capital Reorganisation and the Rights Issue had taken place on 31 December 2023.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only, and because of its hypothetical nature, may not give a true picture of the consolidated net tangible assets of the Group had the Capital Reorganisation and the Rights Issue been completed as at 31 December 2023 or at any future date.

The following statement of unaudited pro forma consolidated net tangible assets of the Group is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2023, as extracted from the Company's annual results announcement for the year ended 31 December 2023, and is adjusted as described below:

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2023	Estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had been completed on 31 December 2023
	<i>HK\$ '000</i> <i>(Note 1)</i>	<i>HK\$ '000</i> <i>(Note 2)</i>	<i>HK\$ '000</i>
Based on the issue of 254,528,000 Rights Shares at the Subscription Price of HK\$0.12 per Rights Share <i>(Note 3)</i>	804	28,740	29,544
Audited consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 before adjusting for the completion of the Capital Reorganisation and prior to the completion of the Rights Issue <i>(Note 4)</i>			HK\$0.001
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the completion of the Capital Reorganisation but prior to the completion of the Rights Issue <i>(Note 5)</i>			HK\$0.01
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the completion of the Capital Reorganisation and the completion of the Rights Issue as if the Rights Issue had been completed on 31 December 2023 <i>(Note 6)</i>			HK\$0.08

Notes:

1. The audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2023 is extracted from the audited consolidated net assets attributable to the owners of the Company as at 31 December 2023 of approximately HK\$804,000, as shown on the consolidated statement of financial position as at 31 December 2023 extracted from the Company's annual results announcement for the year ended 31 December 2023.
2. The estimated net proceeds from the Rights Issue of approximately HK\$28,740,000 are based on estimated gross proceeds to be raised by the issue of 254,528,000 Rights Shares at the subscription price of HK\$0.12 per Rights Share, after deduction of the related expenses including, among others, placing commission and other professional fees of approximately HK\$1,803,000.
3. Pursuant to the announcement of the Company dated 9 February 2024, a Capital Reorganisation was proposed whereby every 10 issued shares of HK\$0.04 each in the Company will be consolidated into one consolidated share of HK\$0.4 and the par value of each consolidated share will be reduced from HK\$0.4 each to HK\$0.01 each by cancelling the paid-up capital to the extent of HK\$0.39 on each issued consolidated share thereof so as to form the Adjusted Share of HK\$0.01 each. The number of shares in issue of the Company as at 31 December 2023 of 1,272,640,000 shares has been adjusted for the effects of this Capital Reorganisation to 127,264,000 Adjusted Shares. The proposed share capital reduction does not affect the unaudited pro forma adjusted consolidated net tangible assets of the Group.

The Rights Issue involves the issue of 254,528,000 Rights Shares on the basis of two Rights Shares for every one Adjusted Share held on the Record Date. The number of Rights Shares of 254,528,000 is arrived at assuming no new Shares will be issued after the Latest Practicable Date and up to the Record Date. Since no new shares were issued after the date of announcement up to the Latest Practicable Date, the number of existing Shares as at 31 December 2023 immediately after the Capital Reorganisation entitled to the Rights Issue is 127,264,000, accordingly, the number of Rights Shares to be issued would be 254,528,000.

4. The audited consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 is calculated based on the audited consolidated net tangible assets of the Group of approximately HK\$804,000 divided by 1,272,640,000 shares in issue as at 31 December 2023 without taking into account of consolidation of every ten (10) issued existing shares as at 31 December 2023 of HK\$0.04 each into one consolidated share of HK\$0.4 each.
5. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the Capital Reorganisation but before the completion of the Rights Issue is calculated based on the audited consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$804,000 as at 31 December 2023 divided by 127,264,000 Adjusted Shares (equivalent to 1,272,640,000 Existing Shares) assumed to be in issue as at 31 December 2023.
6. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the completion of Capital Reorganisation and the Rights Issue is calculated based on the unaudited pro forma consolidated net tangible assets of the Group as at 31 December 2023 attributable to owners of the Company of approximately HK\$29,544,000 divided by 381,792,000 Shares, which represents 127,264,000 Adjusted Shares assumed to be in issue as at 31 December 2023 and 254,528,000 Rights Shares, assuming the Share Consolidation has become effective and the Rights Issue has been completed on 31 December 2023.
7. Save as disclosed above, no adjustment has been made to the unaudited pro forma financial information of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2023.