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

TO THE DIRECTORS OF BEIJING BEIDA JADE BIRD UNIVERSAL SCI-TECH COMPANY LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Beijing Beida Jade Bird Universal Sci-Tech Company Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as 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 30 June 2024, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2023 and related notes as set out on pages III-1 to III-11 of Appendix III of the circular dated 30 December 2024 (the "Circular") in connection to the possible disposal mandate for shares in Jade Bird Fire Co., Ltd. (the "Possible Disposal"). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on pages III-1 to III-11 of Appendix III of the Circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Possible Disposal on the Group's financial position as at 30 June 2024 and the Group's financial performance and cash flows for the year ended 31 December 2023 as if the Possible Disposal had taken place at 30 June 2024 and 1 January 2023, respectively. As part of this process, information about the Group's consolidated financial position have been extracted by the directors of the Company from the Group's condensed consolidated financial statements for the six months ended 30 June 2024 on which no auditor's report or review report has been published, and information about the Group's consolidated financial performance and consolidated cash flows have been extracted by the directors of the Company from the Group's consolidated financial statements for the year ended 31 December 2023, on which an independent auditor's report has been published.

Directors' Responsibility 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 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "GEM 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 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 or 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 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 7.31 of the GEM 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 an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity 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 Possible Disposal as at 30 June 2024 or 1 January 2023 would have been as presented.

Reporting Accountants' Responsibilities - Continued

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 unaudited 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' judgement, having regard to the reporting accountants' understanding of the nature of the Company, 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.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Company; 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 Rules.



BDO Limited
Certified Public Accountants
Hong Kong 30 DEC 2024

(1) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP**Introduction**

The unaudited pro forma financial information of the Group (the “**Unaudited Pro Forma Financial Information**”) presented below is prepared to illustrate the impact of the Disposal Mandate on (a) the financial position of the Group after the Possible Disposal (the “**Remaining Group**”) as if the Possible Disposal had been completed on 30 June 2024, (b) the results and cash flows of the Remaining Group for the year ended 31 December 2023 as if the Possible Disposal had been completed on 1 January 2023. The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, and because of its hypothetical nature, it may not purport to present the true picture of (i) the financial position of the Remaining Group as at 30 June 2024 or at any future date had the Possible Disposal been completed on 30 June 2024; or (ii) the results and cash flows of the Remaining Group for the year ended 31 December 2023 or for any future period had the Possible Disposal been completed on 1 January 2023.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated statement of financial position of the Group as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the year ended 31 December 2023 as extracted from the condensed consolidated financial statements of the Group for the six months ended 30 June 2024 and for the year ended 31 December 2023 as set out in the Company’s published interim report for the six months ended 30 June 2024 and the Company’s published annual report for the year ended 31 December 2023 respectively, after giving effect to the pro forma adjustments described in the notes to the Unaudited Pro Forma Financial Information that are, factually supportable and directly attributable to the Possible Disposal and is prepared in accordance with Rule 7.31 of the GEM Listing Rules.



APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP(A) *Unaudited Pro Forma Consolidated Statement of Financial Position of the Remaining Group*

	Consolidated statement of financial position of the Group as at 30 June 2024 RMB'000 (Note 1)	Pro forma adjustments		Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2024 RMB'000
		RMB'000 (Note 2)	RMB'000 (Note 3)	
Non-current assets				
Property, plant and equipment	336,841			336,841
Investment properties	388,934			388,934
Goodwill	5,534			5,534
Other intangible assets	75,505			75,505
Investments in associates	2,508,396	(249,882)		2,258,514
Investments in joint ventures	100,717			100,717
Financial assets at FVTOCI	662,656			662,656
Financial assets at FVTPL	29,206			29,206
Deposits for purchase of property, plant and equipment	1,496			1,496
Deferred tax assets	52,683			52,683
	<u>4,161,968</u>			<u>3,912,086</u>
Current assets				
Inventories	18,318			18,318
Trade and other receivables	1,118,558			1,118,558
Pledged bank deposits	260			260
Cash and cash equivalents	176,155	162,798	-	338,953
	<u>1,313,291</u>			<u>1,476,089</u>
Total asset	<u>5,475,259</u>			<u>5,388,175</u>



APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP(A) *Unaudited Pro Forma Consolidated Statement of Financial Position of the Remaining Group (Continued)*

	Consolidated statement of financial position of the Group as at 30 June 2024		Pro forma adjustments		Unaudited pro forma consolidated statement of financial position of the Remaining Group as at 30 June 2024
	RMB'000 (Note 1)		RMB'000 (Note 2)	RMB'000 (Note 3)	RMB'000
Current liabilities					
Trade and other payables	443,696				443,696
Bank and other loans	645,866				645,866
Lease liabilities	1,756				1,756
Current tax liabilities	11,998				11,998
	<u>1,103,316</u>				<u>1,103,316</u>
Net current assets	<u>209,975</u>				<u>372,773</u>
Total assets less current liabilities	<u>4,371,943</u>				<u>4,284,859</u>
Non-current liabilities					
Bank and other loans	322,450				322,450
Lease liabilities	2,388				2,388
Deferred tax liabilities	140,497				140,497
	<u>465,335</u>				<u>465,335</u>
NET ASSETS	<u><u>3,906,608</u></u>				<u><u>3,819,524</u></u>
EQUITY					
Share capital	151,446				151,446
Reserves	3,490,559	(87,084)			3,403,475
Equity attributable to the owners of the Company	3,642,005				3,554,921
Non-controlling interests	264,603				264,603
TOTAL EQUITY	<u><u>3,906,608</u></u>				<u><u>3,819,524</u></u>



APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP(B) *Unaudited Pro Forma Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Remaining Group*

	Consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2023	Pro forma adjustments			Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 31 December 2023
		RMB'000 (Note 1)	RMB'000 (Note 4)	RMB'000 (Note 5)	
Revenue	566,375				566,375
Cost of sales and services	(441,995)				(441,995)
Gross profit	124,380				124,380
Other gains and income	13,838				13,838
Impairment loss on trade and other receivables, net	(210,678)				(210,678)
Distribution costs	(4,428)				(4,428)
Administration expenses	(84,935)				(84,935)
Other expenses	(45,978)				(45,978)
Loss on deemed partial disposal of an associate	(23,268)				(23,268)
Loss on disposal of a subsidiary	(593)				(593)
Gain on partial disposal of an associate	365,535				365,535
Loss on disposal of associates	(29,495)				(29,495)
Loss on partial disposal of an associate	-	(150,888)			(150,888)
Profit/(loss) from operations	104,378				(46,510)
Finance costs	(53,857)				(53,857)
Share of profit of associates	149,991			(23,243)	120,748
Share of loss of joint ventures	(3,877)			(6,000)	(3,877)
Profit before income tax	196,635				16,504
Income tax expense	(17,935)				(17,935)
Profit/(loss) for the year	178,700				(1,431)



APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP(B) *Unaudited Pro Forma Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Remaining Group (Continued)*

	Consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2023		Pro forma adjustments			Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group for the year ended 31 December 2023
	RMB'000 (Note 1)	RMB'000 (Note 4)	RMB'000 (Note 5)	RMB'000 (Note 6)	RMB'000 (Note 7)	RMB'000
Other comprehensive income after tax:						
<i>Items that will not be reclassified to profit or loss:</i>						
Fair value changes of financial assets at FVTOCI	16,640					16,640
Share of other comprehensive income of associates	(29,034)			(571)		(29,605)
Share of other comprehensive income of joint ventures	2,771					2,771
	<u>(9,623)</u>					<u>(10,194)</u>
<i>Items that may be reclassified to profit or loss:</i>						
Exchange differences on translating foreign operations	(2,103)					(2,103)
	<u>(2,103)</u>					<u>(2,103)</u>
Other comprehensive income for the year, net of tax	<u>(11,726)</u>					<u>(12,297)</u>
Total comprehensive income for the year	<u>166,974</u>					<u>(13,728)</u>
Profit/(loss) for the year attributable to:						
Owners of the Company	195,207	(150,888)	–	(23,243)	(6,000)	15,076
Non-controlling interests	(16,507)					(16,507)
	<u>178,700</u>					<u>(1,431)</u>
Total comprehensive income for the year attributable to:						
Owners of the Company	188,152	(150,888)	–	(23,814)	(6,000)	7,450
Non-controlling interests	(21,178)					(21,178)
	<u>166,974</u>					<u>(13,728)</u>



(C) Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group

	Consolidated statement of cash flows of the Group for the year ended 31 December 2023 RMB'000 (Note 1)	Pro forma adjustments			Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023 RMB'000
		RMB'000 (Note 4)	RMB'000 (Note 6)	RMB'000 (Note 7)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax	196,635	(150,888)	(23,243)	(6,000)	16,504
Adjustments for:					
Impairment loss on trade and other receivables, net	210,678				210,678
Write down of net realisable value of inventories	636				636
Impairment loss on goodwill	34,847				34,847
Depreciation and amortisation	39,235				39,235
Gain on disposal and written off of property, plant and equipment	(7,679)				(7,679)
Loss on deemed partial disposal of an associate	23,268				23,268
Gain on partial disposal of an associate	(365,535)				(365,535)
Loss on disposal of associates	29,495				29,495
Loss on disposal of a subsidiary	593				593
Loss on partial disposal of an associate	-	150,888			150,888
Gain on lease termination	(7,191)				(7,191)
Interest expense	55,021				55,021
Interest income	(6,456)				(6,456)
Net foreign exchange gain	(1,164)				(1,164)
Share of profit of associates	(149,991)		23,243	6,000	(120,748)
Share of loss of joint ventures	3,877				3,877
Operating profit before working capital changes	56,269				56,269
Decrease in inventories	4,175				4,175
Increase in trade receivables	(57,608)				(57,608)
Increase in prepayments, deposits and other receivables	(96,600)				(96,600)
Decrease in trade and other payables	(31,422)				(31,422)
Decrease in contract liabilities	(363)				(363)



(C) *Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group
(Continued)*

	Consolidated statement of cash flows of the Group for the year ended 31 December 2023			Pro forma adjustments		Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023
	RMB'000 (Note 1)	RMB'000 (Note 4)	RMB'000 (Note 6)	RMB'000 (Note 7)	RMB'000	
Cash used in operations	(125,549)				(125,549)	
Income taxes paid	(8,883)				(8,883)	
Net cash used in operating activities	<u>(134,432)</u>				<u>(134,432)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES						
Cash outflows of acquisition of non-controlling interest of a subsidiary	(18,000)				(18,000)	
Deposits for potential investments	(30,000)				(30,000)	
Increase in pledged bank deposits	(100)				(100)	
Decrease in balances with associates	23,717				23,717	
Increase in balances with a joint venture	(625)				(625)	
Purchases of property, plant and equipment	(29,623)				(29,623)	
Additions of investment properties	(8,238)				(8,238)	
Purchases of intangible assets	(29,574)				(29,574)	
Proceeds from disposal of property, plant and equipment	9,016				9,016	
Purchase consideration of financial assets of FVTOCI	(4,780)				(4,780)	
Purchase consideration of financial assets of FVTPL	(28,998)				(28,998)	
Proceeds from disposal of financial assets at FVTOCI	29,900				29,900	
Proceeds from partial disposal of an associate	220,369	164,800			385,169	
Directly attributable costs from partial disposal of an associate	-	(165)			(2,002)	
		(1,837)				
Proceeds from disposal of investment in associates	15,784				15,784	
Dividend received from an associate	40,494			(6,000)	34,494	
Dividend received from a joint venture	54,029				54,029	



APPENDIX III

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP(C) *Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group
(Continued)*

	Consolidated statement of cash flows of the Group for the year ended 31 December 2023 RMB'000 (Note 1)	Pro forma adjustments			Unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2023 RMB'000
		RMB'000 (Note 4)	RMB'000 (Note 6)	RMB'000 (Note 7)	
Proceed received from capital reduction of a joint venture	23,030				23,030
Interest received	6,456				6,456
Net cash generated from investing activities	<u>272,857</u>				<u>429,655</u>
CASH FLOWS FROM FINANCIAL ACTIVITIES					
Bank and other loans raised	869,946				869,946
Repayments of bank and other loans	(927,565)				(927,565)
Advance to shareholders	(25)				(25)
Decrease in amounts due to related parties	(9,500)				(9,500)
Interest paid	(56,978)				(56,978)
Interim dividend paid	(70,520)				(70,520)
Repayments of lease liabilities	(16,338)				(16,338)
Net cash used in financing activities	<u>(210,980)</u>				<u>(210,980)</u>
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(72,555)</u>				<u>84,243</u>
Effect of foreign exchange rate changes	1,359				1,359
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>227,690</u>				<u>227,690</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>156,494</u></u>				<u><u>313,292</u></u>



(D) Notes to the Unaudited Pro Forma Financial Information of the Remaining Group

- 1) The consolidated statement of financial position of the Group as at 30 June 2024 is extracted without adjustment from the published unaudited interim report of the Company for the six months ended 30 June 2024. The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Group for the year ended 31 December 2023 are extracted without adjustment from the annual report of the Company for the year ended 31 December 2023.
- 2) The adjustment represents the pro forma loss on Possible Disposal as if the Possible Disposal had been completed on 30 June 2024, which is calculated as follows:

	<i>Notes</i>	<i>RMB'000</i>
Estimated consideration	(a)	164,800
Estimated direct tax impact on the Possible Disposal	(b)	<u>(165)</u>
Estimated consideration after estimated direct tax effect		164,635
Interests of the Possible Disposal Shares as at 30 June 2024	(c)	(249,882)
Estimated transaction fees directly attributable to the Possible Disposal	(d)	<u>(1,837)</u>
Estimated resulting loss on the Possible Disposal before taxation		(87,084)
Estimated income tax impact on the Possible Disposal	3	<u>–</u>
Estimated resulting loss on the Possible Disposal after taxation	(e)	<u><u>(87,084)</u></u>

- (a) For the purpose of preparing the Unaudited Pro Forma Financial Information, the Directors have assumed the fair value of the consideration received from the Possible Disposal of 20,000,000 Target Shares of the Target Company (the “**Possible Disposal Shares**”), representing approximately 2.69% of the total issued Target Shares of 744,335,652 as at 30 June 2024 and the maximum number of the Target Shares to be disposed of under the Possible Disposal, at RMB8.24 per Target Share, being the minimum selling price of each Target Share under the Possible Disposal, on the basis that the Possible Disposal is transacted with the independent third parties to the Group and shall be settled in cash.
- (b) The amount represents stamp duty associated with the Possible Disposal Shares of approximately RMB165,000 as if the Possible Disposal had been completed on 30 June 2024 and is assumed to have been fully settled by cash on 30 June 2024.
- (c) The adjustment reflects the derecognition of the proportionate percentage interest of the Possible Disposal Shares as at 30 June 2024, to be calculated by the carrying amount of the associate as at 30 June 2024 of approximately RMB2,192,397,000 multiplied by the percentage interest in the associate to be disposed of approximately 2.69% and divided by the percentage interest in its associate of the Group of approximately 23.57%, as if the Possible Disposal had been completed on 30 June 2024. After the completion of the Possible Disposal, the Target Company is still considered as an associate of the Group.
- (d) The amount represents certain transaction fees directly attributable to the Possible Disposal, such as fee incurred for legal and professional service, assurance service fee and placing agency fee, amounting to approximately RMB1,837,000 and assumed to have been fully settled by cash on 30 June 2024.



**(D) Notes to the Unaudited Pro Forma Financial Information of the Remaining Group
(Continued)**

- (e) The actual gain or loss on the Possible Disposal may be different from the pro forma amount described above as the carrying amounts of interests in the Target Company on the actual date of the Possible Disposal will differ from their carrying amounts as at 30 June 2024. It is also subject to change as the actual transaction fees and related tax impact on the Possible Disposal will differ from the assumed amounts used in the preparation of the Unaudited Pro Forma Financial Information.
- 3) The PRC enterprise income tax estimated according to Article 19 of the Enterprise Income Tax Law. Since the taxable profit arising from the Possible Disposal could be set-off by the previous unrecognised tax loss, no estimated tax is recognised and included in current tax liabilities as at 30 June 2024 as if the Possible Disposal had been completed on 30 June 2024.
- 4) The adjustments reflect the recognition of the pro forma loss arising from the Possible Disposal as if the Possible Disposal had been completed on 1 January 2023:

	<i>Notes</i>	<i>RMB'000</i>
Estimated consideration	(a)	164,800
Estimated direct tax impact on the Possible Disposal	(b)	<u>(165)</u>
Estimated consideration after estimated direct tax effect		164,635
Interests of the Possible Disposal Shares as at 1 January 2023	(c)	(313,686)
Estimated transaction fees directly attributable to the Possible Disposal	(d)	<u>(1,837)</u>
Estimated resulting loss on the Possible Disposal before taxation		(150,888)
Estimated tax impact on the Possible Disposal	5	<u>—</u>
Estimated resulting loss on the Possible Disposal after taxation	(e)	<u><u>(150,888)</u></u>

- (a) For the purpose of preparing the Unaudited Pro Forma Financial Information, the Directors have assumed the fair value of the consideration received from the Possible Disposal of the Possible Disposal Shares, representing approximately 3.54% of the total issued Target Shares of 564,295,902 as at 1 January 2023 and the maximum number of the Target Shares to be disposed of under the Possible Disposal, at RMB8.24 per Target Share, being the minimum selling price of each Target Share under the Possible Disposal, on the basis that the Possible Disposal is transacted with the independent third parties to the Group and shall be settled in cash.
- (b) The amount represents stamp duty associated with the Possible Disposal Shares of approximately RMB165,000 as if the Possible Disposal had been completed on 1 January 2023 and is assumed to have been fully settled by cash on 1 January 2023.
- (c) The adjustment reflects the derecognition of the proportionate percentage interest of the Possible Disposal Shares as at 1 January 2023, to be calculated by the carrying amount of the associate as at 1 January 2023 of approximately RMB2,821,296,000 multiplied by the percentage interest in the associate to be disposed of approximately 3.54% and divided by the percentage interest in its associate of the Group of approximately 31.88%, as if the Possible Disposal had been completed on 1 January 2023. After the completion of the Possible Disposal, the Target Company is still considered as an associate of the Group.



(D) *Notes to the Unaudited Pro Forma Financial Information of the Remaining Group
(Continued)*

- (d) The amount represents certain transaction fees directly attributable to the Possible Disposal, such as fee incurred for legal and professional service, assurance service fee and placing agency fee, amounting to approximately RMB1,837,000 and assumed to have been fully settled by cash on 1 January 2023.
- (e) The actual gain or loss on the Possible Disposal may be different from the pro forma amount described above as the carrying amounts of interests in the Target Company on the actual date of the Possible Disposal will differ from their carrying amounts on 1 January 2023. It is also subject to change as the actual transaction fees and related tax impact on the Possible Disposal will differ from the assumed amounts used in the preparation of the Unaudited Pro Forma Financial Information.
- 5) The amount represents the PRC enterprise income tax estimated according to Article 19 of the Enterprise Income Tax Law. Since the taxable profit arising from the Possible Disposal could be set-off by the previous unrecognised tax loss, no estimated tax is recognised and included in current tax liabilities as at 1 January 2023 as if the Possible Disposal had been completed on 1 January 2023.
- 6) The adjustment reflects the exclusion of share of profits and other comprehensive income from the Possible Disposal Shares as at 1 January 2023 as if the Possible Disposal had been completed on 1 January 2023. After the completion of the Possible Disposal, the Target Company is still considered as an associate of the Group.
- 7) The adjustment is to exclude the proportion of the dividend received attributable to the Possible Disposal Shares from the Target Company incorporated in the share of profit of the Target Company in the consolidated statement of profit or loss and other comprehensive income and in the consolidated statement of cash flows of the Group for the year ended 31 December 2023 as if the Possible Disposal had been completed on 1 January 2023.
- 8) No adjustments have been made to reflect any trading results or other transactions of the Remaining Group entered into subsequent to 30 June 2024 or 31 December 2023.

