
APPENDIX IIA

LOSS ESTIMATE

Our estimate of the consolidated loss of our Group for the year [ended] December 31, 2020 is set out in the section headed “Financial Information – Loss Estimate for the Year ended December 31, 2020.”

(A) OVERVIEW

Our Directors estimate that, on the bases set out in Part B of this Appendix IIA and in the absence of unforeseen circumstances, the estimated consolidated loss of our Group for the year ended December 31, 2020 attributable to the owners of the Company being no more than RMB[790] million.

(B) BASES

Our Directors have prepared the estimated consolidated loss of our Group for the year ended December 31, 2020 based on (i) the audited consolidated results of the Group for the nine months ended September 30, 2020 and (ii) the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2020. The loss estimate has been prepared by our Directors on a basis consistent in all material respects with the accounting policies that we normally adopt as set out in the Accountants’ Report, the text of which is set out in Appendix I to this Document.

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(C) LETTER FROM THE REPORTING ACCOUNTANTS

The following is the text of a letter, prepared for the inclusion in this Document, received from the Company’s reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, in relation to our Group’s loss estimate for the year ended December 31, 2020.

[DATE]

The Board of Directors
New Horizon Health Limited
13/F, T1 Building
400 Jiang’er Road
Binjiang District
Hangzhou
Zhejiang Province
The People’s Republic of China

Goldman Sachs (Asia) L.L.C.
68/F, Cheung Kong Center
2 Queen’s Road
Central, Hong Kong

UBS Securities Hong Kong Limited
52/F, Two International Finance Centre
8 Finance Street
Central, Hong Kong

Dear Sirs,

New Horizon Health Limited (“the Company”)

Loss Estimate for Year Ended December 31, 2020

We refer to the estimate of the consolidated loss of the Company and its subsidiaries and consolidated affiliated entities (collectively referred to as the “Group”) for the year ended December 31, 2020 (“the Loss Estimate”) set forth in the section headed Financial Information in the document of the Company dated [DATE] (“the Document”).

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Directors’ Responsibilities

The Loss Estimate has been prepared by the directors of the Company based on the audited consolidated results of the Group for the nine months ended September 30, 2020 and the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2020.

The Company’s directors are solely responsible for the Loss Estimate.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the Hong Kong Institute of Certified Public Accountants (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 Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented 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 on the accounting policies and calculations of the Loss Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 “Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness” and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company’s directors have properly compiled the Loss Estimate in accordance with the bases adopted by the directors of the Company and as to whether the Loss Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

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Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Loss Estimate has been properly compiled in accordance with the bases adopted by the directors of the Company as set out in Appendix IIA to the Document and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants' report dated [DATE], the text of which is set out in Appendix I to the Document.

Yours faithfully,

[Deloitte Touche Tohmatsu]
Certified Public Accountants
Hong Kong

(D) LETTER FROM THE JOINT SPONSORS

The following is the text of a letter, prepared for the inclusion in this Document, received from Goldman Sachs (Asia) L.L.C. and UBS Securities Hong Kong Limited, the Joint Sponsors, in relation to our Group’s loss estimate for the year ended December 31, 2020.



[REDACTED]

The Board of Directors
New Horizon Health Limited
13/F, T1 Building
400 Jiang'er Road
Binjiang District
Hangzhou
Zhejiang Province
The People's Republic of China

Dear Sirs,

We refer to the estimate of the consolidated loss attributable to owners of New Horizon Health Limited (the “**Company**”) together with its subsidiaries and consolidated affiliated entities (collectively referred to as the “**Group**”) for the year ended December 31, 2020 (the “**Loss Estimate**”) as set out in the document of the Company dated [REDACTED].

The Loss Estimate, for which the directors of the Company (the “**Directors**”) are solely responsible, has been prepared by the Directors based on (i) the audited consolidated results of the Group for the nine months ended September 30, 2020 and (ii) the unaudited consolidated results based on the management accounts of the Group for the three months ended December 31, 2020.

We have discussed with you the bases and assumptions upon which the Loss Estimate has been made. We have also considered and relied upon the letter dated [REDACTED] addressed to you and us from Deloitte Touche Tohmatsu regarding the accounting policies and calculations upon which the Loss Estimate has been made.

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On the basis of the information comprising the Loss Estimate and on the basis of the accounting policies and calculations adopted by you and reviewed by Deloitte Touche Tohmatsu, *Certified Public Accountant*, we are of the opinion that the Loss Estimate, for which you as the Directors are solely responsible, has been made after due and careful enquiry.

For and on behalf of

[GOLDMAN SACHS (ASIA) L.L.C.]

Bill Chu
Managing Director
Sam Thong
Managing Director

**[UBS SECURITIES HONG KONG
LIMITED]**

Yao Chong
Managing Director
Alfred Li
Executive Director