

**UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP****INTRODUCTION TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF  
THE GROUP**

The accompanying unaudited pro forma consolidated statement of assets and liabilities as at 30 June 2022 and unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2022 (the “**Unaudited Pro Forma Financial Information**”) has been prepared as if proposed restructuring involving (i) capital reorganisation, (ii) subscription, (iii) group reorganisation, (iv) placing, (v) Hong Kong scheme, (vi) PRC debt arrangement and (vii) resumption (the “**Restructuring**”) has been completed on 30 June 2022 to illustrate the effect of the consolidated statement of assets and liabilities of the Group as at 30 June 2022 and has been completed on 1 January 2022 to illustrate the effect of the consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2022.

The Unaudited Pro Forma Financial Information has been prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2022 and the unaudited condensed consolidated statement of profit of loss and other comprehensive income of the Group for the six months ended 30 June 2022 after making certain unaudited pro forma adjustments resulting from the Restructuring assuming its completion on 30 June 2022 and 1 January 2022 respectively.

The Unaudited Pro Forma Financial Information of the Group is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the unaudited pro forma financial information of the Group, it may not give a true picture of the actual financial position results of operation of the Group that would have been attained had the Restructuring actually occurred on the dates indicated herein. Furthermore, the Unaudited Pro Forma Financial Information of the Group does not purport to predict the Group’s future financial position results of operation.

The Unaudited Pro Forma Financial Information of the Group should be read in conjunction with the financial information of the Group as set out in the interim report of the Group for the six month ended 30 June 2022 and other financial information included elsewhere in this Circular.

APPENDIX II

UNAUDITED PRO FORMA FINANCIAL  
INFORMATION OF THE GROUP

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND  
LIABILITIES OF THE GROUP

	Pro forma adjustments							Unaudited pro forma consolidated statement of assets and liabilities of the Group as at 30 Jun 2022 RMB'000
	Unaudited consolidated statement of assets and liabilities of the Group as at 30 Jun 2022 RMB'000 (Note 1)	Transfer of asset and liabilities of the Excluded Subsidiaries to the Scheme Co RMB'000 (Note 2)	Reversal of invalid 2020 Subscription RMB'000 (Note 3)	The Subscription of Shares RMB'000 (Note 4)	The Placing of new shares RMB'000 (Note 5)	Implementing the Hong Kong Scheme for settling the Admitted Scheme Claims and the PRC Debi Arrangement RMB'000 (Note 6)	Professional fee RMB'000 (Note 7)	
<b>NON-CURRENT ASSETS</b>								
Property, plant and equipment	13,645	(3,267)	--	--	--	--	--	10,378
Investment properties	4,807	--	--	--	--	--	--	4,807
Equity investments at fair value through other comprehensive income	22,036	(22,036)	--	--	--	--	--	--
<b>Total non-current assets</b>	<b>40,488</b>	<b>(25,301)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>15,185</b>
<b>CURRENT ASSETS</b>								
Inventories	1,619	(1,465)	--	--	--	--	--	154
Trade and bill receivables	50,106	(31,439)	--	--	--	--	--	18,667
Loan to customers	46,369	(46,369)	--	--	--	--	--	--
Contract assets	35,138	(30,729)	--	--	--	--	--	4,409
Prepayments, deposit and other receivables	136,893	(11,373)	(115,457)	--	--	--	--	10,063
Cash at bank and on hand	20,904	(11,300)	--	90,909	6,061	(58,455)	(20,000)	28,119
<b>Total current assets</b>	<b>291,029</b>	<b>(132,675)</b>	<b>(115,457)</b>	<b>90,909</b>	<b>6,061</b>	<b>(58,455)</b>	<b>(20,000)</b>	<b>61,412</b>
<b>CURRENT LIABILITIES</b>								
Trade and other payables	277,428	(144,588)	--	--	--	(89,992)	(1,805)	41,043
Payables for acquisition of a subsidiary	27,500	(27,500)	--	--	--	--	--	--
Bank and other borrowings	45,727	(9,000)	--	--	--	(34,727)	--	2,000
Corporate bonds	330,252	--	--	--	--	(330,252)	--	--
Guaranteed notes	140,136	--	--	--	--	(140,136)	--	--
Loan from an investor	12,823	--	--	--	--	--	(4,271)	8,552
Lease liabilities	412	(412)	--	--	--	--	--	--
Income tax payable	21,162	(21,162)	--	--	--	--	--	--
Provision for warranties	785	(785)	--	--	--	--	--	--
<b>Total current liabilities</b>	<b>856,425</b>	<b>(203,447)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(595,307)</b>	<b>(6,076)</b>	<b>51,595</b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>	<b>(565,396)</b>	<b>70,772</b>	<b>(115,457)</b>	<b>90,909</b>	<b>6,061</b>	<b>536,852</b>	<b>(13,924)</b>	<b>9,817</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>(524,908)</b>	<b>45,469</b>	<b>(115,457)</b>	<b>90,909</b>	<b>6,061</b>	<b>536,852</b>	<b>(13,924)</b>	<b>25,002</b>
<b>NON-CURRENT LIABILITIES</b>								
Lease liabilities	2,371	(2,371)	--	--	--	--	--	--
<b>Total non-current liabilities</b>	<b>2,371</b>	<b>(2,371)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net (liabilities)/assets</b>	<b>(527,279)</b>	<b>47,840</b>	<b>(115,457)</b>	<b>90,909</b>	<b>6,061</b>	<b>536,852</b>	<b>(13,924)</b>	<b>25,002</b>

## APPENDIX II

UNAUDITED PRO FORMA FINANCIAL  
INFORMATION OF THE GROUPUNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME OF THE GROUP

	Unaudited condensed consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 Jun 2022 RMB'000 (Note 1)	Pro forma adjustments				Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 Jun 2022 RMB'000
		Excluding the loss for the six months period ended 30 Jun 2022 of the Excluded Subsidiaries RMB'000 (Note 2)	Recognition of the gain from disposal of subsidiaries RMB'000 (Note 2)	Implementing the Hong Kong Scheme for settling the Admitted Scheme Claims and the PRC Debt Arrangement RMB'000 (Note 6)	Professional fee RMB'000 (Note 7)	
Revenue	26,795	(10,238)	–	–	–	16,557
Cost of sales/services	(21,059)	8,359	–	–	–	(12,700)
Gross profit	5,736	(1,879)	–	–	–	3,857
Interest income	25	(20)	–	–	–	5
Other income	2,845	–	–	–	–	2,845
Other gains/(losses)	–	–	44,817	502,067	–	546,884
Selling expenses	(1,075)	348	–	–	–	(727)
Administrative expenses	(10,573)	3,767	–	–	(13,924)	(20,730)
Research and development expenses	(807)	807	–	–	–	–
Operating (loss)/profit	(3,849)	3,023	44,817	502,067	(13,924)	532,134
Finance costs	(34,836)	–	–	34,785	–	(51)
(Loss)/Profit before taxation	(38,685)	3,023	44,817	536,852	(13,924)	532,083
Income tax credit	–	–	–	–	–	–
(Loss)/Profit for the period	(38,685)	3,023	44,817	536,852	(13,924)	532,083
Other comprehensive income for the period (after tax): Items that will not be reclassified to profit or loss: – Exchange differences on translation of financial statements into presentation currency	18	–	–	–	–	18
Total comprehensive (loss)/income for the period	(38,667)	3,023	44,817	536,852	(13,924)	532,101

**D. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**

- 1 The unaudited condensed consolidated statement of assets and liabilities as at 30 June 2022 and the unaudited condensed consolidated statement of profit or loss of the Group for the six months ended 30 June 2022 is extracted from the Group's interim report for the six months ended 30 June 2022 dated 4 November 2022.
- 2 The adjustment represents the transfer of Excluded Subsidiaries to Scheme Co with reference to "The Group Reorganisation" on page 26 and 27 of this Circular, at a nominal consideration.
- (a) Transfer of asset and liabilities of the Excluded Subsidiaries to the Scheme Co

RMB'000

<b>Transfer of asset of the Excluded Subsidiaries to the Scheme Co</b>	
Property, plant and equipment	(3,267)
Equity investments at fair value through other comprehensive income	(22,036)
Inventories	(1,465)
Trade and bill receivables	(31,439)
Loan to customers	(46,369)
Contract assets	(30,729)
Prepayments, deposit and other receivables	(11,373)
Cash at bank and on hand	<u>(11,300)</u>
	<u><u>(157,978)</u></u>

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**APPENDIX II****UNAUDITED PRO FORMA FINANCIAL  
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RMB'000

<b>Transfer of liabilities of the Excluded Subsidiaries to the Scheme Co</b>	
Trade and other payables	144,588
Payables for acquisition of a subsidiary	27,500
Bank and other borrowings	9,000
Lease liabilities	2,783
Income tax payable	21,162
Provision for warranties	785
	<u>205,818</u>
<b>Gain on disposal of the Excluded Subsidiaries as at 30 June 2022</b>	47,840
Loss for the six months period ended 30 June 2022 of the Excluded Subsidiaries	<u>(3,023)</u>
<b>Gain on disposal of the Excluded Subsidiaries as at 1 January 2022</b>	<u>44,817</u>

(b) Loss for the six months period ended 30 June 2022 of the Excluded Subsidiaries

RMB'000

<b>Revenue</b>	(10,238)
Cost of sales/services	8,359
Interest income	(20)
Selling expenses	348
Administrative expenses	3,767
Research and development expenses	807
	<u>3,023</u>
Loss for the six months period ended 30 June 2022 of the Excluded Subsidiaries	<u>3,023</u>

3 The adjustment reflects the effect of the reversal of subscription of shares in 2020 amounting to approximately RMB115,457,000 due to invalid authorization, assuming the reversal had concurrently taken place on 30 June 2022. Other receivables are reduced by RMB115,457,000

4 The adjustment represents the effect of the subscription share and issue by the Company to the Investor 21,449,572,237 new shares at the Issue Price of HK\$0.004662 per new share with the par value of HK\$0.001 each to raise the fund amounting to HK\$100,000,000 (equivalent to RMB90,909,000) with references to "The Subscription" on pages 23-26. Pursuant to which the Company's share capital will be increased by approximately RMB21,450,000 (equivalent to RMB19,500,000) and its share premium account will be increased amounting to HK\$78,550,000 (equivalent to RMB71,409,000).

- 5 The adjustment represents the effect of the placement share and issue by the Company to an independent party 1,429,971,471 new shares at the Issue Price of HK\$0.004662 per new share with the par value of HK\$0.001 each to raise the fund amounting to HK\$6,667,000 (equivalent to RMB6,061,000) with references to “The Placing” on page 27-29. Pursuant to which the Company’s share capital will be increased by approximately HK\$1,430,000 (equivalent to RMB1,300,000) and its share premium account will be increased amounting to HK\$5,237,000 (equivalent to RMB4,761,000).
- 6 The adjustment represents the effect of the Company implementing the Hong Kong Scheme for settling the Admitted Scheme Claims and the PRC Debt Arrangement with references to “The Hong Kong Scheme” on page 29-31 and “The PRC Debt Arrangement” on page 31. The Provisional Liquidators estimated the total settlement consideration implementing the Hong Kong Scheme for settling the Admitted Scheme Claims and the PRC Debt Arrangement of the Group was HK\$64,300,000 (equivalent to RMB58,455,000). As a result, the Group recognised a gain on implementing the Hong Kong Scheme for settling the Admitted Scheme Claims and the PRC Debt Arrangement of RMB536,852,000 in unaudited pro forma consolidated statement of assets and liabilities of the Group as at 30 June 2022 and RMB502,067,000 in unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group for the six months period ended 30 June 2022 excluding the accrual of finance costs of RMB34,785,000 for the six months period ended 30 June 2022.
- 7 The adjustment reflects the effect of total cash payment amounting to HK\$22,000,000 (equivalent to RMB20,000,000) including the settlement of accrued professional fee amounting to RMB1,805,000, settlement of loan from an investor amounting to RMB4,271,000, and payment of professional fee amounting to RMB13,924,000.

**ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE GROUP**

*The following is the text of a report, prepared for the sole purpose of inclusion in this Circular, from the independent reporting accountants, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.*



**ZHONGHUI ANDA CPA Limited**

*Certified Public Accountants*

2 December 2022

Joint and Several Provisional Liquidators  
China U-Ton Future Space Industrial Group Holdings Ltd.  
(In Liquidation)

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information (the “**Unaudited Pro Forma Financial Information**”) of China U-Ton Future Space Industrial Group Holdings Ltd. (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 assets and liabilities as at 30 June 2022, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2022 and related notes as set out in Appendix II of the circular (the “**Circular**”) issued by the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are set out in Appendix II of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed restructuring on the Group’s financial position as at 30 June 2022 as if the events and transaction described in the Circular had been taken place at 30 June 2022 and on the Group’s financial performance for the six months ended 30 June 2022 as if the events and transactions described in the Circular had taken place as at 1 January 2022. As part of this process, information about the Group’s financial position and financial performance has been extracted by the directors from the Group’s condensed consolidated financial statements as included in the interim report for the six months ended 30 June 2022, on which no audit or review report has been published.

**Directors' Responsibilities for the Unaudited Pro Forma Financial Information**

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 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 ("AG") 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirement 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.

The firm applies Hong Kong Standard on Quality Control 1 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 Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the Unaudit 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 Unaudit 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 accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudit Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" 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 Unaudit 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 Unaudit 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 event or transaction at 1 January 2022 and 30 June 2022 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 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 accountant's judgment, having regard to the reporting accountant's 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.

**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 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,



**ZHONGHUI ANDA CPA Limited**

*Certified Public Accountants*

**Yeung Hong Chun**

Practising Certificate Number P07374

Hong Kong, 2 December 2022