

The information set forth in this Appendix does not form part of the accountants' report on the historical financial information of the Group for the Track Record Period (the "Accountants' Report") prepared by Ernst & Young, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set out in Appendix I to this prospectus, and is included herein for information only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountant's Report set out in Appendix I to this prospectus.

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

The following unaudited pro forma statement of adjusted consolidated net tangible assets of our Group prepared in accordance with Rule 4.29 of 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 HKICPA is set out below to illustrate the effect of the Global Offering on the consolidated net tangible assets of our Group attributable to owners of the Company as at 30 June 2023 as if it had taken place on 30 June 2023.

This unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of our Group as at 30 June 2023 or at any future dates following the Global Offering. It is prepared based on our audited consolidated net tangible assets of our Group as at 30 June 2023, and adjusted as described below. The unaudited pro forma statement of adjusted consolidated net tangible assets does not form part of the Accountants' Report.

	Audited consolidated net tangible assets attributable to equity owners of the parent as at 30 June 2023 RMB'000 (note 1)	Estimated net proceeds from the Global Offering RMB'000 (note 2)	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company RMB'000	Unaudited pro forma adjusted consolidated net tangible assets per Share RMB HK\$ equivalent (note 3) (note 4) (note 5)	
Based on an Offer Price of HK\$0.495 per Share after a Downward Offer Price Adjustment of 10%	471,215	200,755	671,970	0.34	0.37
Based on an Offer Price of HK\$0.55 per Share	471,215	226,011	697,226	0.35	0.38
Based on an Offer Price of HK\$0.75 per Share	471,215	317,852	789,067	0.39	0.43

Notes:

1. The consolidated net tangible assets attributable to owners of the parent as at 30 June 2023 is extracted from the Accountants' Report set out in Appendix I to this Prospectus, which is based on the consolidated net assets of our Group attributable to owners of the Company as at 30 June 2023 of approximately RMB592 million with an adjustment for the intangible assets of RMB121 million.
2. The estimated net proceeds from the Global Offering are based on the Offer Price of HK\$0.495, HK\$0.55 per Share or HK\$0.75 per Share, being the price after making a Downward Offer Price Adjustment of 10%, the low-end price or high-end price after deduction of the estimated underwriting fees and other related expenses payable by the Company and takes no account of any Share which may be issued upon the exercise of the Over-allotment Option. The estimated net proceeds from the Global Offering are converted from Hong Kong dollars into RMB at an exchange rate of HK\$1.00 to RMB0.9184.
3. The unaudited pro forma adjusted consolidated net tangible assets per Share has been arrived at after having made the adjustments referred to in the preceding paragraphs and on the basis of a total of 2,000,000,000 shares, were in issue assuming that Global Offering has been completed as at 30 June 2023, excluding Shares which may be issued upon the exercise of the Over-allotment Options and options which may be granted under the Share Option Scheme.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is converted from RMB into Hong Kong dollars at the rate of HK\$1.00 to RMB0.9184. No representation is made that the RMB amounts have been, could have been or could be converted to Hong Kong dollars, or vice versa at that rate or at any other rates or at all.
5. No adjustment has been made to reflect any trading results or other transactions entered into by our Group subsequent to 30 June 2023.



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

To the Directors of Persistence Resources Group Ltd

We have completed our assurance engagement to report on the compilation of pro forma financial information of Persistence Resources Group Ltd (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 pro forma financial information consists of the pro forma consolidated net tangible assets as at 30 June 2023, and related notes as set out on pages II-1 of the Prospectus dated 14 December 2023 issued by the Company (the “Pro Forma Financial Information”). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in Appendix II to the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group’s financial position as at 30 June 2023 as if the transaction had taken place at 30 June 2023. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s financial statements for the period ended 30 June 2023, on which an accountants’ report has been published.

Directors’ responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the 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 (“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 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 Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, 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, as required by paragraph 4.29(7) of the Listing Rules, on the 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 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 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 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 Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if 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 transaction would have been as presented.

A reasonable assurance engagement to report on whether the 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 Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the 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 transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the 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 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 purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Certified Public Accountants

Hong Kong

14 December 2023