



Our Ref: 5A06190905

19 April 2024

PRIVATE & CONFIDENTIAL

The Board of Directors
Aidigong Maternal & Child Health Limited
Room 3607, 36/F,
China Resources Building,
26 Harbour Road,
Wan Chai,
HONG KONG

Dear Sirs

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

To the Directors of Aidigong Maternal & Child Health Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Aidigong Maternal & Child Health Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) prepared 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 liabilities of the Group attributable to owners of the Company as at 31 December 2023 and the related notes (the “**Unaudited Pro Forma Financial Information**”) as set out in Appendix II to the prospectus dated 19 April 2024 (the “**Prospectus**”) issued by the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages APP II-1 to APP II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 1,478,338,324 rights shares (assuming no outstanding share options having been exercised on or before the record date) at HK\$0.042 per rights share (the “**Rights Shares**”) on the basis of one (1) Rights Shares for every three (3) share of the Company held on the rights issue record date (the “**Rights Issue**”) on the Group’s consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 as if the Rights Issue had taken place on 31 December 2023. As part of this process, information about the Group’s financial position has been extracted by the directors from the Group’s consolidated financial statements for the year ended 31 December 2023, on which an annual results announcement has been published.

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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 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 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**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.

The firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, and 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 4.29(7) of the 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 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 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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Reporting Accountants' Responsibilities (continued)

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus 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 31 December 2023 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 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' judgment, having regard to the reporting accountants' 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.

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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 4.29(1) of the Listing Rules.

Yours faithfully

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Lee Pak Kin

Practising Certificate Number: P08262

Hong Kong

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

The following unaudited pro forma statement of adjusted consolidated net tangible liabilities (the “Unaudited Pro Forma Financial Information”) has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the consolidated net tangible liabilities of the Group attributable to the owners of the Company as if the Rights Issue had been completed on 31 December 2023 and taking into account of certain assumptions.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible liabilities of the Group attributable to the owners of the Company had the Rights Issue been completed as at 31 December 2023 or at any future date.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023, as extracted from the published annual results announcement of the Company for the year ended 31 December 2023, and is adjusted for the effect of the Rights Issue described below.

	Consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 <i>HK\$'000</i> <i>(Note 1)</i>	Estimated net proceeds from the Rights Issue <i>HK\$'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 immediately after completion of the Rights Issue <i>HK\$'000</i> <i>(Note 3)</i>	Consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 prior to the completion of the Rights Issue per Share <i>HK\$</i> <i>(Note 4)</i>	Unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023 immediately after completion of the Rights Issue per Share <i>HK\$</i> <i>(Note 5)</i>
Based on 1,478,338,324 Rights Shares to be issued at subscription price of HK\$0.042 per Rights Share	(390,748)	56,700	(334,048)	(0.09)	(0.06)

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE LIABILITIES TO THE GROUP (CONTINUED)

Notes:

- (1) The unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company of HK\$390,748,000 as at 31 December 2023 is extracted from the final results announcement of the Company for the year ended 31 December 2023 of approximately HK\$755,949,000, and deducting from it; (a) goodwill in the amount of approximately HK\$397,419,000; (b) intangible assets in the amount of approximately HK\$731,031,000; and (c) non-controlling interests of approximately HK\$18,247,000.
- (2) The estimated net proceeds from the Rights Issue of approximately HK\$56,700,000 are based on 1,478,338,324 Rights Shares to be issued (in the proportion of one (1) rights share for every three (3) existing shares held on record date) at the subscription price of HK\$0.042 per Rights Share, after deduction of the estimated related expenses of approximately HK\$5,390,000, assuming that the Rights Issue had been completed on 31 December 2023.
- (3) The unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company immediately after completion of the Rights Issue is calculated based on the combination of consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 of approximately HK\$390,748,000 (Note 1) and estimated net proceeds from the Rights Issue of approximately HK\$56,700,000 (Note 2).
- (4) The consolidated net tangible liabilities of the Group attributable to the owners of the Company per Share as at 31 December 2023 was HK\$0.09 which was based on the audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023 of approximately HK\$390,748,000, divided by 4,435,014,974 Shares in issue as at 31 December 2023.
- (5) The unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company immediately after completion of the Rights Issue per Share as at 31 December 2023 was HK\$0.06 which was based on the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023 immediately after completion of the Rights Issue of approximately HK\$334,048,000, divided by the sum of 4,435,014,974 Shares and 1,478,338,324 Rights Shares, assuming the Rights Issue had been completed on 31 December 2023.
- (6) No adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2023.

