
APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

A. BASIS OF PREPARATION OF THE PRO FORMA FINANCIAL INFORMATION OF THE SUCCESSOR GROUP

The unaudited pro forma financial information presented below is prepared to illustrate (a) the consolidated financial position of the Successor Group (as defined in the Circular) as if the De-SPAC Transaction had been completed on 30 June 2024; (b) the consolidated results and cash flows of the Successor Group as if the De-SPAC Transaction had been completed on 1 January 2023; and (c) the consolidated net tangible assets of the Successor Group attributable to the owners of the Successor Company as if the De-SPAC Transaction had been completed on 30 June 2024. These periods are presented on the basis that the Target Company is the accounting acquirer.

The unaudited pro forma consolidated financial information of the Successor Group is presented in S\$ and has been prepared for illustrative purposes only and is based on certain assumptions, estimates and currently available information. Because of its hypothetical nature, it may not give a true picture of the consolidated financial position of the Successor Group as at 30 June 2024 or the consolidated results and cash flows of the Successor Group for the year ended 31 December 2023 had the De-SPAC Transaction been completed as at the specified dates or any other dates.

The pro forma financial information is prepared based on the consolidated statement of financial position of HK Acquisition Corporation (“**HKAC**”) as at 30 June 2024 as set out in the interim report of HKAC for the six months ended 30 June 2024 which was published on 21 August 2024 and the statement of profit or loss and other comprehensive income and the cash flow statement of HKAC for the year ended 31 December 2023 as set out in the annual report of HKAC for the year ended 31 December 2023 which was published on 28 February 2024 and the consolidated statement of financial position of Synagistics Pte. Ltd. (the “**Target Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Target Group**”) as at 30 April 2024 and the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Target Group for the year ended 31 December 2023 extracted from the accountants’ report of the Target Group as set out in Appendix I of this Circular after giving effect to the pro forma adjustments described in the accompanying notes which are directly attributable to the De-SPAC Transaction and factually supportable and were prepared in accordance with Rules 4.29 and 14.69(4)(a)(ii) of the Listing Rules.

The pro forma financial information is prepared assuming (i) 55,124,000 shares of the Successor Company (“**Successor Shares**”) (subject to adjustments) are issued to the PIPE Investors pursuant to the PIPE Investment Agreements, (ii) there is no Permitted Equity Financing that can be fulfilled under Scenario I (see details below) and there is Permitted Equity Financing of HK\$15,000,000 that can be fulfilled under Scenario II (see details below), and (iii) no SPAC

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Warrant (as defined in the Circular) holder elects to redeem any SPAC Warrants pursuant to the Warrant Redemption. In addition, the unaudited pro forma financial information presents two redemption scenarios as set out below.

- **Assuming no Redemptions (Scenario I):** This presentation assumes that no shareholders of HKAC Class A Shares of HKAC (“**SPAC Shares**”) exercise their rights to redeem any of their SPAC Shares of HKAC and thus the full amount held in the Escrow Account at Closing is available to the De-SPAC Transaction.
- **Assuming maximum Redemptions (Scenario II):** This presentation assumes that 100,050,000 SPAC Shares of HKAC are redeemed, which represents the maximum amount of redemption. The Scenario II is prepared based on the same assumptions under Scenario I, with additional adjustments to reflect the effect of maximum redemptions.

The unaudited pro forma financial information should be read in conjunction with:

- the accompanying notes to the unaudited pro forma financial information;
- the Historical Financial Information of the Target Group as of 30 April 2024 and for the year ended 31 December 2023, and the related notes thereto, as set out in Appendix I to this Circular;
- the audited financial statements of HKAC for the year ended 31 December 2023, and the related notes thereto, as set out in the annual report of HKAC for the year ended 31 December 2023 which was published on 28 February 2024;
- the unaudited condensed financial statements of HKAC for the six months ended 30 June 2024, and the related notes thereto, as set out in the interim report of HKAC for the six months ended 30 June 2024 which was published on 21 August 2024; and
- the financial information of the De-SPAC Transaction and other financial information included elsewhere in this Circular.

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B. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE SUCCESSOR GROUP

(i) Unaudited Pro Forma Consolidated Statement of Financial Position of the Successor Group as at 30 June 2024

	As at 30 June 2024		As at 30 April 2024		Pro forma adjustments					As at 30 June 2024		Pro forma adjustments			As at 30 June 2024	
										The Successor Group (Scenario I)					The Successor Group (Scenario II)	
	HKAC (Note 1)		The Target Group (Note 2)													
	HK\$'000	SS\$'000	SS\$'000	Subtotal	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000	SS\$'000
					(Note 3(a))	(Note 4(a))	(Note 5)	(Note 6(a))	(Note 7)			(Note 5)	(Note 6(a))	(Note 7)		
NON-CURRENT ASSETS																
Property, plant and equipment.	27	5	333	338	—	—	—	—	—	338	—	—	—	—	338	—
Right-of-use assets	—	—	1,195	1,195	—	—	—	—	—	1,195	—	—	—	—	1,195	—
Intangible assets	—	—	5,198	5,198	—	—	—	—	—	5,198	—	—	—	—	5,198	—
Goodwill.	—	—	49,332	49,332	—	—	—	—	—	49,332	—	—	—	—	49,332	—
Restricted bank balances. . .	1,011,121	175,935	—	175,935	—	—	—	(175,935)	—	—	—	—	—	—	—	—
Other receivables	—	—	84	84	—	—	—	—	—	84	—	—	—	—	84	—
	1,011,148	175,940	56,142	232,082	—	—	—	(175,935)	—	56,147	—	—	—	—	56,147	—
CURRENT ASSETS																
Inventories	—	—	656	656	—	—	—	—	—	656	—	—	—	—	656	—
Trade and other receivables. .	15,694	2,731	17,542	20,273	—	(435)	—	—	—	19,838	—	—	—	—	19,838	—
Contract assets	—	—	1,336	1,336	—	—	—	—	—	1,336	—	—	—	—	1,336	—
Cash and cash equivalents . .	7,889	1,373	4,943	6,316	(11,230)	(9,185)	77,692	175,935	—	239,528	2,610	(175,935)	—	—	66,203	—
	23,583	4,104	24,477	28,581	(11,230)	(9,620)	77,692	175,935	—	261,358	2,610	(175,935)	—	—	88,033	—
CURRENT LIABILITIES																
Trade and other payables . . .	7,486	1,303	38,847	40,150	—	(1,238)	—	—	—	38,912	—	—	—	—	38,912	—
Lease liabilities	—	—	910	910	—	—	—	—	—	910	—	—	—	—	910	—
Bank and other borrowings. .	—	—	678	678	—	—	—	—	—	678	—	—	—	—	678	—
Redemption liabilities arising from the SPAC Shares. . .	1,023,798	178,141	—	178,141	—	—	—	(178,141)	—	—	—	—	—	—	—	—
Financial liabilities at FVTPL	—	—	—	—	—	—	—	15,886	—	15,886	—	—	—	—	15,886	—
SPAC Warrants	146,748	25,534	—	25,534	—	—	—	—	—	25,534	—	—	—	—	25,534	—
Income tax payable.	—	—	3	3	—	—	—	—	—	3	—	—	—	—	3	—
	1,178,032	204,978	40,438	245,416	—	(1,238)	—	(162,255)	—	81,923	—	—	—	—	81,923	—
NET CURRENT																
(LIABILITIES) ASSETS	(1,154,449)	(200,874)	(15,961)	(216,835)	(11,230)	(8,382)	77,692	338,190	—	179,435	2,610	(175,935)	—	—	6,110	—

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

	As at 30 June 2024		As at 30 April 2024		Pro forma adjustments					As at 30 June 2024		Pro forma adjustments			As at 30 June 2024	
	The Target Group		The Target Group							The Successor Group (Scenario I)					The Successor Group (Scenario II)	
	HKAC (Note 1)		(Note 2)							I)					II)	
	HK\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
					(Note 3(a))	(Note 4(a))	(Note 5)	(Note 6(a))	(Note 7)			(Note 5)	(Note 6(a))	(Note 7)		
TOTAL ASSETS LESS																
CURRENT LIABILITIES	(143,301)	(24,934)	40,181	15,247	(11,230)	(8,382)	77,692	162,255	—	235,582	2,610	(175,935)	—	—	62,257	
CAPITAL AND RESERVES																
Share capital	3	1	74,679	74,680	—	—	1	—	(74,672)	9	—	—	(2)	—	7	
Reserves	(143,304)	(24,935)	(46,701)	(71,636)	(213)	(8,382)	77,691	140,180	74,672	212,312	2,610	(175,935)	2	—	38,989	
Equity attributable to owners of HKAC/the Target Company/ the Successor Company	(143,301)	(24,934)	27,978	3,044	(213)	(8,382)	77,692	140,180	—	212,321	2,610	(175,935)	—	—	38,996	
Non-controlling interests . . .	—	—	(19)	(19)	—	—	—	—	—	(19)	—	—	—	—	(19)	
TOTAL (DEFICIT) EQUITY	(143,301)	(24,934)	27,959	3,025	(213)	(8,382)	77,692	140,180	—	212,302	2,610	(175,935)	—	—	38,977	
NON-CURRENT																
LIABILITIES																
Lease liabilities	—	—	333	333	—	—	—	—	—	333	—	—	—	—	333	
Bank and other borrowings . .	—	—	605	605	—	—	—	—	—	605	—	—	—	—	605	
Convertible loan notes . . .	—	—	11,017	11,017	(11,017)	—	—	—	—	—	—	—	—	—	—	
Financial liabilities at FVTPL	—	—	—	—	—	—	—	22,075	—	22,075	—	—	—	—	22,075	
Deferred tax liability	—	—	267	267	—	—	—	—	—	267	—	—	—	—	267	
	—	—	12,222	12,222	(11,017)	—	—	22,075	—	23,280	—	—	—	—	23,280	
	(143,301)	(24,934)	27,959	3,025	(213)	(8,382)	77,692	140,180	—	212,302	2,610	(175,935)	—	—	38,977	

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

(ii) Unaudited Pro Forma Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Successor Group for the year ended 31 December 2023

	For the year ended 31 December 2023		For the year ended 31 December 2023		Pro forma adjustments				For the year ended 31 December 2023 The Successor Group (Scenario I)	Pro forma adjustments		For the year ended 31 December 2023 The Successor Group (Scenario II)
	HKAC (Note 1)		The Target Group (Note 2)									
	HK\$'000	US\$'000	US\$'000	US\$'000	US\$'000 (Note 3(b))	US\$'000 (Note 4(b))	US\$'000 (Note 5)	US\$'000 (Note 6(b))	US\$'000	US\$'000 (Note 4(b))	US\$'000 (Note 6(b))	US\$'000
Revenue	—	—	126,595	126,595	—	—	—	—	126,595	—	—	126,595
Cost of sales	—	—	(94,851)	(94,851)	—	—	—	—	(94,851)	—	—	(94,851)
Gross profit	—	—	31,744	31,744	—	—	—	—	31,744	—	—	31,744
Other income	47,568	8,161	379	8,540	—	—	—	—	8,540	—	—	8,540
Other gain and loss	—	—	(1,788)	(1,788)	1,454	2,511	—	—	2,177	—	—	2,177
Equity-settled share-based payment expenses	(79,164)	(13,582)	(726)	(14,308)	—	—	—	(165,076)	(179,384)	—	18,773	(160,611)
Selling and distribution expenses	—	—	(20,668)	(20,668)	—	—	—	—	(20,668)	—	—	(20,668)
General and administrative expenses	(6,529)	(1,120)	(25,283)	(26,403)	—	—	—	—	(26,403)	—	—	(26,403)
Finance costs	—	—	(1,658)	(1,658)	1,026	—	—	—	(632)	—	—	(632)
Professional fees and expenses related to listing and De-SPAC Transaction	—	—	—	—	—	(10,190)	—	(111,480)	(121,670)	297	—	(121,373)
Fair value change of deferred underwriting commissions payable	(9,985)	(1,713)	—	(1,713)	1,713	—	—	—	—	—	—	—
Fair value change of SPAC warrants	1,846	317	—	317	—	—	—	—	317	—	—	317
Fair value change of financial liabilities at FVTPL	—	—	—	—	—	—	—	1,724	1,724	—	—	1,724
Loss before tax	(46,264)	(7,937)	(18,000)	(25,937)	4,193	(7,679)	—	(274,832)	(304,255)	297	18,773	(285,185)
Income tax credit	—	—	690	690	—	—	—	—	690	—	—	690
Loss for the year	(46,264)	(7,937)	(17,310)	(25,247)	4,193	(7,679)	—	(274,832)	(303,565)	297	18,773	(284,495)

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	For the year ended 31 December 2023		For the year ended 31 December 2023		Pro forma adjustments				For the year ended 31 December 2023 The Successor Group (Scenario I)	Pro forma adjustments		For the year ended 31 December 2023 The Successor Group (Scenario II)
	HKAC (Note 1)		The Target Group (Note 2)	Subtotal								
	HK\$'000	S\$'000	S\$'000	S\$'000	S\$'000 (Note 3(b))	S\$'000 (Note 4(b))	S\$'000 (Note 5)	S\$'000 (Note 6(b))	S\$'000	S\$'000 (Note 4(b))	S\$'000 (Note 6(b))	S\$'000
Loss for the year attributable to:												
Owners of HKAC/the Target Company/the Successor Company	(46,264)	(7,937)	(17,310)	(25,247)	4,193	(7,679)	—	(274,832)	(303,565)	297	18,773	(284,495)
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—
	(46,264)	(7,937)	(17,310)	(25,247)	4,193	(7,679)	—	(274,832)	(303,565)	297	18,773	(284,495)
Other comprehensive income items that may be reclassified subsequently to profit or loss:												
Exchange differences arising on translation of foreign operations	—	—	24	24	—	—	—	—	24	—	—	24
Other comprehensive income for the year, net of income tax	—	—	24	24	—	—	—	—	24	—	—	24
Total comprehensive expense for the year	(46,264)	(7,937)	(17,286)	(25,223)	4,193	(7,679)	—	(274,832)	(303,541)	297	18,773	(284,471)
Total comprehensive expense attributable to:												
Owners of HKAC/the Target Company/the Successor Company	(46,264)	(7,937)	(17,286)	(25,223)	4,193	(7,679)	—	(274,832)	(303,541)	297	18,773	(284,471)
Non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—
	(46,264)	(7,937)	(17,286)	(25,223)	4,193	(7,679)	—	(274,832)	(303,541)	297	18,773	(284,471)

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

(iii) Unaudited Pro Forma Consolidated Statement of Cash Flows of the Successor Group for the year ended 31 December 2023

	For the year ended 31 December 2023		For the year ended 31 December 2023		Pro forma adjustments				For the year ended 31 December 2023 The Successor Group (Scenario I)	Pro forma adjustments			For the year ended 31 December 2023 The Successor Group (Scenario II)
	HKAC (Note 1)		The Target Group (Note 2)	Subtotal									
	HK\$'000	US\$'000	US\$'000	US\$'000	US\$'000 (Note 3(b))	US\$'000 (Note 4(b))	US\$'000 (Note 5)	US\$'000 (Note 6(b))	US\$'000	US\$'000 (Note 5)	US\$'000 (Note 4(b))	US\$'000 (Note 6(b))	US\$'000
OPERATING ACTIVITIES													
Loss before taxation	(46,264)	(7,937)	(18,000)	(25,937)	4,193	(7,679)	—	(274,832)	(304,255)	—	297	18,773	(285,185)
Adjustments for:													
Amortization of intangible assets	—	—	3,782	3,782	—	—	—	—	3,782	—	—	—	3,782
Depreciation of property, plant and equipment	8	1	391	392	—	—	—	—	392	—	—	—	392
Depreciation of right-of-use assets	—	—	1,338	1,338	—	—	—	—	1,338	—	—	—	1,338
Impairment loss reversed under expected credit loss model	—	—	(2)	(2)	—	—	—	—	(2)	—	—	—	(2)
Write-down of inventories, net of reversal	—	—	507	507	—	—	—	—	507	—	—	—	507
Bank interest income	(47,568)	(8,161)	(7)	(8,168)	—	—	—	—	(8,168)	—	—	—	(8,168)
Fair value loss of convertible loan notes	—	—	940	940	(1,454)	—	—	—	(514)	—	—	—	(514)
Finance costs	—	—	1,658	1,658	(1,026)	—	—	—	632	—	—	—	632
Professional fees and expenses related to listing and De-SPAC Transactions	—	—	—	—	—	10,190	—	111,480	121,670	—	(297)	—	121,373
Exchange loss, net	—	—	6	6	—	—	—	—	6	—	—	—	6
Equity-settled share-based payment expenses	79,164	13,582	726	14,308	—	—	—	165,076	179,384	—	—	(18,773)	160,611
Fair value change of deferred underwriting commissions payable	9,985	1,713	—	1,713	(1,713)	—	—	—	—	—	—	—	—
Fair value change of SPAC warrants	(1,846)	(317)	—	(317)	—	—	—	—	(317)	—	—	—	(317)
Fair value change of financial liabilities at FVTPL	—	—	—	—	—	—	—	(1,724)	(1,724)	—	—	—	(1,724)
Reversal of deferred underwriting commission payable	—	—	—	—	—	(2,511)	—	—	(2,511)	—	—	—	(2,511)
Changes in working capital													
Decrease in inventories	—	—	1,803	1,803	—	—	—	—	1,803	—	—	—	1,803
Increase in trade and other receivables	(74)	(13)	(381)	(394)	—	—	—	—	(394)	—	—	—	(394)
Decrease in contract assets	—	—	24	24	—	—	—	—	24	—	—	—	24
(Decrease)/increase in trade and other payables	(31)	(5)	11,062	11,057	—	—	—	—	11,057	—	—	—	11,057
Cash (used in) generated from operations	(6,626)	(1,137)	3,847	2,710	—	—	—	—	2,710	—	—	—	2,710
Tax paid	—	—	(5)	(5)	—	—	—	—	(5)	—	—	—	(5)

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	For the year ended 31 December 2023		For the year ended 31 December 2023		Pro forma adjustments				For the year ended 31 December 2023 The Successor Group (Scenario I)	Pro forma adjustments			For the year ended 31 December 2023 The Successor Group (Scenario II)
	HKAC (Note 1)		The Target Group (Note 2)	Subtotal									
	HK\$'000	US\$'000	US\$'000	US\$'000	US\$'000 (Note 3(b))	US\$'000 (Note 4(b))	US\$'000 (Note 5)	US\$'000 (Note 6(b))	US\$'000	US\$'000 (Note 5)	US\$'000 (Note 4(b))	US\$'000 (Note 6(b))	US\$'000
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(6,626)	(1,137)	3,842	2,705	—	—	—	—	2,705	—	—	—	2,705
INVESTING ACTIVITIES													
Purchase of plant and equipment	—	—	(119)	(119)	—	—	—	—	(119)	—	—	—	(119)
Purchase of intangible assets	—	—	(1,551)	(1,551)	—	—	—	—	(1,551)	—	—	—	(1,551)
Interest received	—	—	7	7	—	—	—	—	7	—	—	—	7
Payment for the purchase of property, plant and equipment	(16)	(3)	—	(3)	—	—	—	—	(3)	—	—	—	(3)
Interest received	48,325	8,291	—	8,291	—	—	—	—	8,291	—	—	—	8,291
Release of restricted cash arising from conversion redeemable SPAC Shares	—	—	—	—	—	—	—	171,386	171,386	—	(171,386)	—	—
NET CASH FROM (USED IN) INVESTING ACTIVITIES	48,309	8,288	(1,663)	6,625	—	—	—	171,386	178,011	—	(171,386)	—	6,625
FINANCING ACTIVITIES													
Proceeds from borrowings	—	—	2,780	2,780	—	—	—	—	2,780	—	—	—	2,780
Repayment of borrowings	—	—	(2,938)	(2,938)	—	—	—	—	(2,938)	—	—	—	(2,938)
Repayment of lease liabilities	—	—	(1,277)	(1,277)	—	—	—	—	(1,277)	—	—	—	(1,277)
Interest paid	—	—	(632)	(632)	—	—	—	—	(632)	—	—	—	(632)
Payment of deferred underwriting commissions of HKAC and De-SPAC Transaction expenses	(18,871)	(3,238)	—	(3,238)	—	(13,928)	—	—	(17,166)	—	—	—	(17,166)
Proceeds from PIPE and Permitted Equity Financing (as defined in the Circular) investors	—	—	—	—	—	—	94,427	—	94,427	2,570	—	—	96,997
Payments for the transaction cost	—	—	—	—	—	—	(17,941)	—	(17,941)	—	—	—	(17,941)
Repayment of convertible loan notes	—	—	—	—	(9,838)	—	—	—	(9,838)	—	—	—	(9,838)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(18,871)	(3,238)	(2,067)	(5,305)	(9,838)	(13,928)	76,486	—	47,415	2,570	—	—	49,985
Net increase in cash and cash equivalents	22,812	3,913	112	4,025	(9,838)	(13,928)	76,486	171,386	228,131	2,570	(171,386)	—	59,315
Cash and cash equivalents at 1 JANUARY 2023	5,048	866	13,306	14,172	—	—	—	—	14,172	—	—	—	14,172
Effect of foreign exchange rate changes	—	(76)	—	(76)	—	—	—	—	(76)	—	—	—	(76)
Cash and cash equivalents at 31 DECEMBER 2023	27,860	4,703	13,418	18,121	(9,838)	(13,928)	76,486	171,386	242,227	2,570	(171,386)	—	73,411

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C. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE SUCCESSOR GROUP

Note 1: The financial information of HKAC is extracted from the annual report of HKAC for the year ended 31 December 2023 which was published on 28 February 2024 and interim report of HKAC for the six months ended 30 June 2024 which was published on 21 August 2024. The presentation currency of HKAC is HK\$. The balances extracted from the condensed statement of financial position of HKAC at 30 June 2024 were translated to Singapore Dollars (“S\$”) at the exchange rate of HK\$1.00 to S\$0.1740. The amounts extracted from the statement of profit or loss and other comprehensive income and statement of cash flows of HKAC for the year ended 31 December 2023 were translated to S\$ at the exchange rate of HK\$1.00 to S\$0.1716.

Note 2: The financial information of the Target Group is extracted from the accountant’s report of the Target Group as set out in Appendix I to this Circular. The functional and presentation currency of the Target Company in Appendix I is S\$.

Note 3: (a) Assuming the De-SPAC Transaction had been completed on 30 June 2024 (at the exchange rate of HK\$1.00 to S\$0.1740)

 The adjustment represents the settlement of convertible loan notes of the Target Company amounting to S\$11,017,000, with aggregated principal balance and interest payables of S\$11,230,000, as at 30 April 2024 upon the completion of the De-SPAC Transaction, resulting in loss of S\$213,000.

 (b) Assuming the De-SPAC Transaction had been completed on 1 January 2023 (at the exchange rate of HK\$1.00 to S\$0.1716)

 The adjustment represents the reversal of the fair value changes of convertible loan notes of S\$940,000 and the related interest expenses of S\$1,026,000 of the Target Company, and the fair value changes of deferred underwriting commission payable of HKAC in Consolidated Statement of Profit or Loss and Other Comprehensive Income upon the completion of the De-SPAC Transaction on 1 January 2023. The adjustment also represents the settlement of convertible loan notes of the Target Company amounting to S\$9,838,000 with gain on settlement of S\$514,000 for pro forma purpose upon the completion of the De-SPAC transaction on 1 January 2023.

Note 4: The adjustment represents the estimated professional fees and expenses of approximately HK\$67,015,000 incurred by the Successor Group relating to the De-SPAC Transaction and waiver of the deferred underwriting commission accrued by HKAC upon completion of the De-SPAC Transaction.

 (a) Assuming the De-SPAC Transaction had been completed on 30 June 2024 (at the exchange rate of HK\$1.00 to S\$0.1740)

 The abovementioned professional fees and expenses are translated to S\$11,661,000 of which S\$2,476,000 was settled by HKAC as of 30 June 2024. The remaining expenses are assumed to be settled on 30 June 2024, resulting in a decrease of cash and cash equivalent amounting to S\$9,185,000.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

The adjustment also represents capitalisation of deferred issue cost (recorded in trade and other receivables) amounting to S\$435,000 and settlement of accrued professional fees and expenses (recorded in trade and other payables) related to De-SPAC transaction amounting to S\$1,238,000 recognized by HKAC as at 30 June 2024 upon completion of the De-SPAC Transaction.

- (b) Assuming the De-SPAC Transaction had been completed on 1 January 2023 (at the exchange rate of HK\$1.00 to S\$0.1713)

The abovementioned professional fees and expenses are translated to S\$11,480,000. Such expenses are assumed to be fully settled on 1 January 2023, and together with settlement of deferred underwriting commission payable of S\$2,448,000 resulting in a decrease of cash and cash equivalent amounting to S\$13,928,000.

The adjustment also represents the reversal of the remaining deferred underwriting commission payable of S\$2,511,000 upon completion of De-SPAC as other gains in accordance to the waiver provided by the counterparty.

Under Scenario I, S\$10,190,000 is expected to be additionally charged to the unaudited pro forma consolidated statement of profit or loss and other comprehensive income, and S\$1,290,000 is expected to be accounted for as a deduction from equity upon the consummation of the De-SPAC Transaction.

Under Scenario II, S\$9,893,000 is expected to be charged to the unaudited pro forma consolidated statement of profit or loss and other comprehensive income, and S\$1,587,000 is expected to be accounted for as a deduction from equity upon the consummation of the De-SPAC Transaction.

The De-SPAC Transaction expenses are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

Note 5: The adjustment represents the gross proceeds of HK\$551,240,000 (equivalent to S\$95,916,000 as at 30 June 2024 or S\$94,427,000 as at 1 January 2023) from PIPE Investors and the transaction cost amounting to HK\$104,736,000 (equivalent to S\$18,224,000 as at 30 June 2024 or S\$17,941,000 as at 1 January 2023) in connection with the PIPE Investment. The PIPE Investors would be issued 55,124,000 shares of the Successor Company at HK\$10 per share.

It is assumed that there is no Permitted Equity Financing that can be fulfilled under Scenario I. Under Scenario II, Successor Company would conduct the Permitted Equity Financing to the extent required so as to ensure the Successor Company can satisfy (i) the requirement under Rule 8.08 of the Listing Rules that at least 25% of its total number of issued shares at all times will be held by the public; (ii) the requirement under Rule 8.08(3) that not more than 50% of the Successor Shares in public hands at the time of the listing of the Successor Company can be beneficially owned by the three largest public Shareholders; and (iii) the requirement under Rule 18B.65 of the Listing Rules that the Successor Company will have a minimum number of 100 Professional Investors at the time of its listing. Additional gross proceeds of HK\$15,000,000 (equivalent to S\$2,610,000 as at 30 June 2024 or S\$2,570,000 as at 1 January 2023) from Permitted Equity Financing Investors are assumed. It is assumed that the Permitted Equity Financing Investors would be issued 1,500,000 shares of the Successor Company at HK\$10 per share. For the year ended 31 December 2023, the foreign exchange gain arising from the net proceeds from the PIPE Investors and Permitted Equity Financing Investors is assumed to be insignificant.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

Note 6: The adjustment is to illustrate (i) the deemed expenses incurred by the Target Company, which is the difference between the fair value of the shares issued by the Target Company in excess of the fair value of the adjusted net assets of HKAC; (ii) the warrant liabilities; and (iii) the earn-out liabilities.

Pursuant to the Business Combination Agreement (as defined in this Circular), each Class B ordinary share of HKAC (“**Promoter Share**”) will be converted into one fully paid Successor Share and each HKAC Promoter Warrant would be transferred to one Successor Promoter Warrant. For the Successor Promoter Warrants issued, those warrant holders will not be serving as employees of the Successor Group nor will they provide services to the Successor Group after the De-SPAC Transaction. Therefore, the HKAC Promoter Warrants are assumed by the Successor Company and the Successor Promoter Warrants are regarded as part of the De-SPAC Transactions and IAS 32 is applied in accounting for them, which results in additional De-SPAC Transaction expense.

The Promoter Earn-out Right (as defined in this Circular) is triggered only if the volume weighted average price of the Successor Shares (calculated based on the daily quotation sheets of the Stock Exchange) equals or exceeds HK\$15 per share for a period of not less than 20 trading days within a 30 consecutive trading day period commencing six months after, and ending on the fifth anniversary of the date of, the completion of the De-SPAC Transaction. No service conditions for the Promoters was stipulated. Therefore, the earn-out arrangement is regarded as part of the De-SPAC Transaction instead of as post-acquisition remuneration and IAS 32 is applied in accounting for this agreement. Fair value of the earn-out liabilities arising from the Promoter Earn-out Right would adjust the consideration transferred for the De-SPAC Transaction which in turn affects the amount of De-SPAC Transaction expense recognized. A maximum Promoter Earn-out Shares (as defined in this Circular) of 10,005,000 shares of Successor Company would be issued through the exercise of the Promoter Earn-out Right.

The Founder Earn-out Right (as defined in this Circular) is triggered only if the volume weighted average price of the Successor Shares (calculated based on the daily quotation sheets of the Stock Exchange) equals or exceeds a price representing a: (a) 20% increase; (b) 30% increase; or (c) 50% increase, respectively, of the closing price of the Successor Shares on the closing date of the De-SPAC Transaction for any 20 trading days within a 30 consecutive trading day period commencing twelve months after, and ending on the fifth anniversary of the date of, the completion of the De-SPAC Transaction. A maximum Founder Earn-out Shares (as defined in this Circular) of equal to 12.00% of the total Successor Shares at closing date of the De-SPAC Transaction would be issued through the exercise of the Founder Earn-out Right. The Founder Earn-out Right holders will be serving as employees of the Successor Group after the De-SPAC Transaction. Therefore, the Founder Earn-out Right are assumed by the Successor Company as equity-settled share-based payment under IFRS 2.

A valuation assessment was performed by the directors of the Company with the assistance from an independence qualified valuer for the purpose of determining the fair value of the promoter warrant liabilities and earn-out liabilities arising from the De-SPAC Transaction at 30 June 2024 and 1 January 2023 using binomial option pricing model with key assumptions for: volatility based on peer company data; risk-free rate and spot share price of the Successor Company at HK\$10 assumed according to the Business Combination Agreement, the PIPE Investment Agreements and the offer price of HKAC SPAC Shares.

- (a) Assuming the De-SPAC Transaction had been completed on 30 June 2024 (at the exchange rate of HK\$1.00 to S\$0.1740)

The fair value of the successor promoter warrant liabilities and promoter earn-out liabilities are estimated to be HK\$126,865,000 (equivalent to S\$22,075,000) and HK\$91,298,000 (equivalent to S\$15,886,000), respectively, as at 30 June 2024, which would be recognized as financial

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

liabilities at FVTPL. Such expenses are subject to changes based on valuation. Such warrant liabilities should be classified into non-current liability because the Successor Promoter Warrants are not exercisable until 12 months after the date of Closing as required by the Listing Rules.

Under Scenario I, as no HKAC SPAC Shares is redeemed, all of the restricted cash amounted to HK\$1,011,121,000 (equivalent to S\$175,935,000) as at 30 June 2024 would be reclassified as cash and cash equivalents of the Successor Group, while under Scenario II, as all of the HKAC SPAC Shares with redemption rights are redeemed, all of the restricted cash would be repaid to these HKAC SPAC Shareholders.

- (b) Assuming the De-SPAC Transaction had been completed on 1 January 2023 (at the exchange rate of HK\$1.00 to S\$0.1713)

Upon the consummation of the De-SPAC Transaction, the conversion right attached to the Promoter Shares and Promoter Warrants, which were classified as share-based payments of HKAC, would meet the vesting condition, which would result in an additional share-based payment expense of HK\$191,354,000 (equivalent to S\$32,779,000) as at 1 January 2023 due to an acceleration vesting in accordance with IFRS 2, and reversal of S\$13,582,000 share-based payments expense recognized by HKAC for the year ended 31 December 2023.

The Founder Earn-out Right, which were classified as share-based payments and the vesting condition of which is assumed to be met within 12 months after the completion of the De-SPAC Transaction for pro forma purpose, would result in an additional share-based payment expense of S\$99,479,000 and S\$80,706,000 under scenario I and II, respectively for the year ended 31 December 2023 in accordance with IFRS 2. For avoidance of doubt, assuming the De-SPAC Transaction had been completed on 30 June 2024, the share-based payments in respect of the conversion right attached to the Promoter Shares and Promoter Warrants and the Founder Earn-out Right are recognized in share options reserve and accumulated losses which are shown, with net impact of S\$nil, as “reserves” under equity attributable to owners the Successor Company. Therefore, no relevant adjustment is shown in the unaudited Pro Forma Consolidated Statement of Financial Position of the Successor Group as at 30 June 2024.

As detailed in Appendix IX Statutory And General Information under heading “Awards and options granted under the Share Option and Award Scheme”, the Target Company would grant share awards in respect of an aggregate of 53,926,868 Target Company Shares and options in respect of an aggregate of 33,850,000 Target Company Shares to its founders and employees which would be vested on completion of De-SPAC Transaction and result in an share-based payment expense of S\$46,400,000 in accordance with IFRS 2 for the year ended 31 December 2023. Such expenses and fair value changes are subject to changes based on valuation.

The fair value of the successor promoter warrant liabilities and the promoter earn-out liabilities are estimated to be HK\$125,440,000 (equivalent to S\$21,488,000) and HK\$88,834,000 (equivalent to S\$15,217,000), respectively, as at 1 January 2023, which would be recognized as additional De-SPAC Transaction expense. Fair value loss arising from the fair value change of the successor promoter warrant liabilities and the earn-out liabilities of S\$1,724,000 is recognized by the Successor Group in 2023. Such expenses and fair value changes are subject to changes based on valuation.

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Under Scenario I, as no HKAC SPAC Shares are redeemed, all of the restricted cash amounted to HK\$1,000,500,000 (equivalent to S\$171,386,000) as at 1 January 2023 would be reclassified as cash and cash equivalents of the Successor Group, while under Scenario II, as all of the HKAC SPAC Shares with redemption rights are redeemed, all of the restricted cash would be repaid to those HKAC SPAC Shareholders. For the year ended 31 December 2023, under Scenario I, the foreign exchange differences arising from the translation of such cash and cash equivalents is assumed to be insignificant.

The calculation of the additional De-SPAC Transaction expense as disclosed in the unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Successor Group for the year ended 31 December 2023 under Scenario I and Scenario II are set out below:

Under Scenario I

		Assuming No Redemptions			
		Conversion into Successor Company Shares per conversion ratio as set out in the Circular		Aggregated Fair Value	Aggregated Fair Value
Fair value per share of the Successor Company (at 1 January 2023)	HKAC Shares	HKAC Shares	Circular	HK\$'000	S\$'000
		'000	'000	HK\$'000	S\$'000
New Successor Company Shares to be issued in exchange of:					
HKAC SPAC Shares	HK\$10	100,050	100,050	1,000,500	171,386
HKAC Promoter Shares. . .	HK\$10	25,013	25,013	250,125	42,846
Total consideration				1,250,625	214,232
Less: Adjusted net assets of HKAC.				(814,109)	(139,457)
Excess of adjusted net assets				436,516	74,775
Add: Warrant liabilities arising from the conversion into Successor Promoter Warrants				125,440	21,488
Add: Promoter earn-out liabilities.				88,834	15,217
				650,790	111,480

The adjusted net asset of HKAC as at 1 January 2023 in the amount of HK\$814,109,000, which is assumed to be approximated to fair value, as set out in the table represents the total of the audited net liabilities of HKAC of HK\$186,391,000 as of 31 December 2022 as set out in the annual report of HKAC for the year ended 31 December 2022 which was published on 22 February 2023, and the gross proceeds of the redeemable SPAC Shares of HKAC of HK\$1,000,500,000. Fair value per share of the Successor Company is

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

determined in accordance with the Business Combination Agreement, the PIPE Investment Agreements and the offer price of HKAC SPAC Shares. The carrying amount of the adjusted net assets of HKAC approximates the fair value of the adjusted net assets of HKAC.

Under Scenario II

		Assuming All Redemptions			
		Conversion into Successor Company Shares per conversion ratio as set out in the Circular			
Fair value per share of the Successor Company (at 1 January 2023)	HKAC Shares		Aggregated Fair Value	Aggregated Fair Value	
	'000	'000	HK\$'000	S\$'000	
New Successor Company Shares to be issued in exchange of:					
HKAC Promoter Shares . . .	HK\$10	25,013	25,013	250,125	42,846
Total consideration				250,125	42,846
Add: Net liabilities of HKAC				186,391	31,929
Excess of net liabilities . . .				436,516	74,775
Add: Warrant liabilities arising from the conversion into Successor Promoter Warrants				125,440	21,488
Add: Promoter earn-out liabilities				88,834	15,217
				650,790	111,480

The net liabilities of HKAC as at 1 January 2023 in the amount of HK\$186,391,000, which is assumed to be approximated to fair value, as set out in the table represents the total of the audited net liabilities of HKAC of HK\$186,391,000 as of 31 December 2022 as set out in the annual report of HKAC for the year ended 31 December 2022 which was published on 22 February 2023. Fair value per share of the Successor Company is determined in accordance with the Business Combination Agreement, the PIPE Investment Agreements and the offer price of HKAC SPAC Shares. The carrying amount of the adjusted net liabilities of HKAC approximates the fair value of the adjusted net liabilities of HKAC.

Note 7: The adjustment is to illustrate the exchange of shares of HKAC and the Target Company for Successor Shares.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

Each share of HKAC SPAC Shares at par value HK\$10 per share, each share of HKAC Promoter Shares at par value HK\$10 per share and each share of the Target Company at par value S\$0.1 per share would convert into corresponding number of shares of the Successor Company at par value HK\$0.0001 per share. Under Scenario I, as no HKAC SPAC Shares is redeemed, an additional aggregate of 100,050,000 Successor Shares were taken into account. Under Scenario II, as all of the HKAC SPAC Shares are redeemed, no additional Successor Shares is converted.

The share structure of the Successor Company immediately after Closing in calculating of the adjustment on share capital of the Successor Company as disclosed in the unaudited pro forma consolidated statement of financial position of the Successor Group as at 30 June 2024 under Scenario I and Scenario II are set out below:

	As at 30 June 2024	
	Scenario I	Scenario II
	'000	'000
Successor Company Shares to be issued in exchange of:		
Target Company Ordinary Shares (as set out in Appendix I to this Circular)	228,572	228,572
Target Company Preferred Shares (as set out in Appendix I to this Circular)	518,220	518,220
Target Company Ordinary Shares expected to be issued under the Target Company's Existing ESOP (as defined in this Circular) ^(note a)	87,777	87,777
	<u>834,569</u>	<u>834,569</u>
Effect of exchange of shares of HKAC and the Target Company for Successor Shares	(484,569)	(484,569)
	<u>350,000</u>	<u>350,000</u>
PIPE Shares	55,124	55,124
Permitted Equity Financing Investors	—	1,500
HKAC Promoter Shares	25,013	25,013
HKAC SPAC shares	100,050	—
Successor Company Shares ^(note b)	<u>530,187</u>	<u>431,637</u>
	<i>S\$'000</i>	<i>S\$'000</i>
Share capital of Successor Company (at par value HK\$0.0001 per share)	<u>9</u>	<u>7</u>

Note a: The number of ordinary shares represents 87,776,868 ordinary shares of the Target Company expected to be issued to the employees of the Target Group and the Target Company Founders under the Target Company Existing ESOP upon the completion of the De-Spac transaction as disclosed under “M. Effect of the De-Spac Transaction on the Shareholdings in the Successor Company” in section headed “Letter From the Board” of the Circular.

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Note b: For illustrative purposes, the impact of the number of Successor Company Shares immediately after Closing with the maximum number of Successor Company Shares to be issued for Founder Earn-out Right (“**Founder Earn-out Shares**”) is set out below:

	As at 30 June 2024	
	Scenario I	Scenario II
	'000	'000
Number of Successor Company Shares immediately after Closing as illustrated above	530,187	431,637
Maximum number of Founder Earn-out Shares	63,622	51,796
Number of Successor Company Shares immediately after Closing with Founder Earn-out Shares issued	593,809	483,433

Note 8: Foreign currency of the adjustments in respect of the De-SPAC Transaction in the unaudited pro forma financial information is translated based on the exchange rates announced by the Monetary Authority of Singapore at HK\$1.00 to S\$0.1713 at 1 January 2023 and HK\$1.00 to S\$0.1740 at 30 June 2024 assuming the De-SPAC Transaction had taken place. No representation is made that HK\$ or US\$ amounts have been, could have been or may be converted to S\$, or vice versa, at those rates or at all.

Note 9: The Successor Company Warrants and promoter earn-out liabilities are expected to be accounted for as financial liabilities measured at FVTPL and the changes in fair value of the liabilities, and the share based payments expenses of Founder Earn-out Right will be recorded in the profit or loss. Apart from the foregoing, other adjustments are not expected to have a continuing effect on the Successor Group.

Note 10: Saved as disclosed above, no adjustment has been made to the unaudited pro forma consolidated statement of financial position, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Successor Group to reflect any other transactions of the Successor Group entered into subsequent to 30 June 2024.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

D. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS (LIABILITIES) OF THE SUCCESSOR GROUP AS AT 30 JUNE 2024

	Unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Successor Group	Unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Successor Group per share	Unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Successor Group per share
	S\$'000 (Note i)	S\$ (Note ii)	HK\$ (Note iii)
Consolidated net tangible assets (liabilities) attributable to owners of the Successor Company			
Scenario I	157,791	0.30	1.71
Scenario II	(15,534)	(0.04)	(0.21)

Note i: The unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Successor Group as at 30 June 2024 is based on the amount of the unaudited pro forma adjusted consolidated net tangible assets (liabilities) attributable to the owners of the Successor Company as at 30 June 2024, which is calculated using the total equity attributed to the owners of the Successor Company of S\$212,321,000 and S\$38,996,000 under Scenario I and Scenario II of the unaudited pro forma consolidated statement of financial position of the Successor Group as at 30 June 2024, respectively, after deducting the intangible assets (liabilities) and goodwill attributable to the owners of the Successor Company as derived from the Historical Financial Information of the Target Group as set out in Appendix I of this Circular, amounting to approximately S\$5,198,000 and S\$49,332,000, respectively.

Note ii: The number of shares used for the calculation of the unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Successor Group per share under Scenario I and Scenario II is 530,187,000 and 431,637,000 respectively after completion of the De-SPAC Transaction as at 30 June 2024, with details set out in note 7 in section C “Notes to the Unaudited Pro Forma Financial Information of the Successor Group” of Appendix III.

Note iii: For the purpose of this unaudited pro forma financial information, the unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Successor Group attributable to the owners of the Successor Company per share as at 30 June 2024 is converted from S\$ to HK\$ at an exchange rate of S\$0.1740 to HK\$1.00, which was the exchange rate prevailing on 30 June 2024 with reference to the exchange rate published by the Monetary Authority of Singapore. No representation is made that S\$ amounts have been, could have been or may be converted to HK\$, or vice versa, at that rate or at all.

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The following is the text of an independent reporting accountants’ assurance report, set out on pages III-18 to III-21, received from the independent reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.

Deloitte.

德勤

INDEPENDENT REPORTING ACCOUNTANTS’ ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE SUCCESSOR GROUP

**TO THE DIRECTORS OF HK ACQUISITION CORPORATION AND SYNAGISTICS PTE.
LTD.**

We have completed our assurance engagement to report on the compilation of pro forma financial information of the Successor Group (as defined in the circular issued by HK Acquisition Corporation (“**HKAC**”) dated [REDACTED] (the “**Circular**”)) by the directors of HKAC and Synagistics Pte. Ltd. (the “**Target 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 for the year ended 31 December 2023, the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2023, the unaudited pro forma statement of adjusted consolidated net tangible assets (liabilities) of the Successor Group as at 30 June 2024 and related notes as set out on pages III-1 to III-17 of the Circular in connection with the De-SPAC Transaction (as defined in the Circular). The applicable criteria on the basis of which the directors of HKAC and the Target Company have compiled the unaudited pro forma financial information are described on pages III-1 to III-17 of the Circular.

The unaudited pro forma financial information has been compiled by the directors of HKAC and the Target Company to illustrate the impact of the proposed De-SPAC Transaction pursuant to the terms and conditions under business combination agreement as signed by HKAC and the Target Company and its subsidiaries (hereinafter collectively referred to as the “**Target Group**”) on 28 June 2024, constituting a De-SPAC Transaction result in the business combination of HKAC and the Target Group and the listing of the Target Company as the Successor Group on the Stock Exchange. As part of this process, information about HKAC’s financial position as at 30 June 2024 has been extracted by the directors of HKAC and the Target Company from HKAC’s unaudited condensed financial statements for the six months ended 30 June 2024, on which a review report has been published, information about HKAC’s financial performance and cash flow has been

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extracted by the directors of HKAC and the Target Company from HKAC’s financial statements for the year ended 31 December 2023, on which an audit report has been published. Information about the Target Group’s consolidated financial position, consolidated financial performance and consolidated cash flows has been extracted by the directors of HKAC and the Target Company from the accountants’ report as set out in the Appendix I to the Circular.

Directors’ Responsibilities for the Unaudited Pro Forma Financial Information

The directors of HKAC and the Target Company 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.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 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 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.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE SUCCESSOR GROUP

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 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 HKAC and the Target Company 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.

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 Successor Group as if the events had occurred or these transactions 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 events or transactions at 30 June 2024 or 1 January 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 of HKAC and the Target 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 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 Successor 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.

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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 Target 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.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
[REDACTED]