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

The following unaudited pro forma statement of adjusted net tangible assets of the Group prepared in accordance with Rule 4.29 of the Listing Rules is to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to equity shareholders of the Company as if the Global Offering had been completed on August 31, 2024. The unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as at August 31, 2024 or any future date.

Consolidated net tangible assets of the Group attributable to equity shareholders of the Company as at August 31, 2024	Estimated net proceeds from the Global Offering	Estimated impact to net tangible assets upon redesignation of redemption liability	Estimated impact to net tangible assets upon derecognition of derivative financial instruments	Unaudited pro forma adjusted consolidated net tangible assets of the Company	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company per Share		
					RMB	HK\$	
RMB'000 (Note 1)	RMB'000 (Note 2, 6)	RMB'000 (Note 3)	RMB'000 (Note 4)	RMB'000	(Note 5)	(Note 6)	
Based on an Offer Price of HK\$8.50 per Share	809,848	744,494	535,685	66,700	2,156,727	1.83	1.98

### Notes:

- (1) The consolidated net tangible assets attributable to equity shareholders of the Company as at August 31, 2024 have been calculated based on the consolidated total equity attributable to equity shareholders of the Company as at August 31, 2024 of RMB812,719,000 less intangible assets of RMB2,871,000, extracted from the Accountants' Report set out in Appendix I to this Prospectus.
- (2) The estimated net proceeds from the Global Offering are based on 101,180,800 Shares to be issued pursuant to the Global Offering and the Offer Price of HK\$8.50 per Share, after deduction of the estimated underwriting fees and other estimated related expenses paid or payable by the Group (excluding approximately RMB20,452,000 listing expenses which has been charged to profit or loss up to August 31, 2024) and does not take into account of any shares which may be issued upon the exercise of the Over-allotment Option.



- (3) The estimated impact is calculated based on the redemption liability of RMB535,685,000 arising from the redeemable convertible preferred shares as of August 31, 2024 (as set out in Note 25 to the Historical Financial Information included in the Accountants' Report in Appendix I to this prospectus). Upon the Listing and completion of the Global Offering, the redemption liability will be automatically converted into ordinary shares of the Company and will be re-designated from liabilities to equity.
- (4) The estimated impact is calculated based on the derivative financial instruments of RMB66,700,000 arising from the compensation right as of August 31, 2024 (as set out in Note 25 to the Historical Financial Information included in the Accountants' Report in Appendix I to this prospectus). The compensation right is automatically executed upon Listing, therefore, had the Global Offering been completed on August 31, 2024, based on the indicative offer Prices, no compensation would be provided to the Pre-IPO Investor (as defined in the Accountants' Report set out in Appendix I to this Prospectus). The balance of the derivative financial instruments will be derecognized into consolidated statement of profit or loss.
- (5) The unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share is arrived at after adjustments as described above and on the basis that 1,176,518,800 Shares were in issue immediately following completion of the Share Subdivision and Global Offering, assuming that the Share Subdivision and Global Offering had been completed on August 31, 2024 without taking into account of the Shares which may be issued upon exercise of the Over-allotment Option.
- (6) For illustrative purpose, the estimated net proceeds from the Global Offering is converted from Hong Kong dollar into Renminbi and the unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company per Share is converted from Renminbi to Hong Kong dollar at the exchange rate of HK\$1.00 to RMB0.9235, the exchange rate set by the People's Bank of China ("PBOC") prevailing on December 5, 2024. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at the rate or at any other rates or at all.
- (7) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect any trading results or other transactions of the Group subsequent to August 31, 2024.



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## **Independent Reporting Accountants' Assurance Report on the Compilation of Pro Forma Financial Information**

### **To the Directors of Xiaocaiyuan International Holding Ltd.**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Xiaocaiyuan International Holding Ltd. (the "Company") and its subsidiaries (collectively the "Group") 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 net tangible assets as at August 31, 2024 and related notes as set out in Part A of Appendix II to the prospectus dated December 12, 2024 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the "Global Offering") on the Group's financial position as at August 31, 2024 as if the Global Offering had taken place at August 31, 2024. As part of this process, information about the Group's financial position as at August 31, 2024 has been extracted by the Directors from the Group's historical financial information included in the Accountants' Report as set out in Appendix I to the Prospectus.

### ***Directors' Responsibilities 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 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("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, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or 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 ("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 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 purpose 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 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 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 events or transactions as at August 31, 2024 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 event or 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 event or 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.



Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

***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 purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

A handwritten signature in blue ink, appearing to be 'J. M. L.', written in a cursive style.

*Certified Public Accountants*  
Hong Kong  
December 12, 2024