

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The following unaudited pro forma statement of adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company prepared in accordance with paragraph 4.29 of the Listing Rules is set out below to illustrate the effect of the Global Offering on the audited consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 as if the Global Offering had taken place on that date.

The unaudited pro forma statement of adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 or any future dates.

The following unaudited pro forma statement of adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company is prepared based on the audited consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 as derived from the Accountants' Report, the text of which is set out in Appendix I to this prospectus, and adjusted as described below:

	Audited consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023	Estimated net proceeds from the Global Offer	Unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023	Unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 per Share	
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 3)	HK\$ (Note 4)
Based on an Offer Price of					
HK\$36 per Share	(1,402,717)	255,347	(1,147,370)	(7.69)	(8.44)
Based on an Offer Price of					
HK\$40 per Share	(1,402,717)	287,084	(1,115,633)	(7.47)	(8.20)

Notes:

1. The unaudited pro forma statement of adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 is based on the consolidated net liabilities of the Group attributable to owners of the Company amounted to RMB1,396,215,000, with adjustments for intangible assets of the Group as at December 31, 2023 of RMB6,502,000 extracted from the Accountants' Report set forth in Appendix I to the prospectus.
2. The estimated net proceeds from the Global Offering are based on 9,262,000 new Shares to be issued at the Offer Price of HK\$36 and HK\$40 per Offer Share, being the low end and high end of the indicated Offer Price range and excluding listing expenses already charged to the consolidated statements of profit or loss during the Track Record Period, respectively, after deduction of the estimated underwriting fees and other related expenses expected to be incurred by the Group. The calculation of such estimated net proceeds does not take into account (i) any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or (ii) any Shares which may be issued or repurchased by the Company pursuant to the general mandates.

For the purpose of the estimated net proceeds from the Global Offering, the amount denominated in HK\$ has been converted into RMB at an exchange rate of HK\$1 to RMB0.9114, which was the exchange rate prevailing on June 19, 2024 with reference to the rate published by the People's Bank of China. No representation is made that HK\$ amounts have been, could have been or may be converted to RMB, or vice versa, at that rate or at any other rates or at all.

3. The number of shares used for the calculation of unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company per Share is based on 149,262,000 Shares outstanding immediately following completion of the Global Offering. It does not take into account (i) any Shares which may be allotted and issued upon the exercise of the Over-allotment Option; (ii) any Shares which may be issued or repurchased by the Company pursuant to the general mandates or (iii) cessation of the preferential rights of Shares with Preferential Right.
4. The unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company per Share is converted from RMB to HK\$ at the rate of HK\$1 to RMB0.9114, which was the exchange rate prevailing on June 19, 2024 with reference to the rate published by the People's Bank of China. No representation is made that the RMB amounts have been, would have been or may be converted to HK\$, or vice versa, at that rate or at any other rates or at all.
5. No adjustment has been made to the unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 to reflect any operating result or other transactions of the Group entered into subsequent to December 31, 2023. In particular, the unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as shown on Page II-1 have not been adjusted to illustrate the effect of the following:

Upon completion of the Global Offering, the cessation of the preferential rights of Shares with Preferential Rights would have resulted in a reclassification of such financial liabilities at carrying amount of RMB2,212,629,000 as at December 31, 2023 (the "Shares Reclassification") assuming no further changes in fair values of Shares with Preferential Rights existing on December 31, 2023 upon Global Offering, to ordinary shares under equity.

The effect of Shares Reclassification would have increased the total number of Shares in issue assumption stated in Note 3 by 76,644,754 Shares to a total of 225,906,754 Shares and would have adjusted the unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 by RMB2,212,629,000 to RMB1,065,259,000 based on an Offer Price of HK\$36 per Offer Share and RMB1,096,996,000 based on an Offer Price of HK\$40 per Offer Share. Had the Shares Reclassification been taken into account, the unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company as at December 31, 2023 per Share would be RMB4.72 (equivalent to HK\$5.18) based on an Offer Price of HK\$36 per Offer Share and RMB4.86 (equivalent to HK\$5.33) based on an Offer Price of HK\$40 per Offer Share, respectively.

For the purpose of unaudited pro forma adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company per Share, the amount denominated in RMB has been converted into HK\$ at the rate of HK\$1 to RMB0.9114, which was the exchange rate prevailing on June 19, 2024 with reference to the rate published by the People's Bank of China. No representation is made that the RMB denominated amounts have been, could have been or may be converted to HK\$, or vice versa, at that rate or any other rates or at all.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the Directors of Baiwang Co., Ltd.**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Baiwang Co., 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 unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets as at December 31, 2023 and related notes as set out on pages II-1 to II-2 of Appendix II to the prospectus issued by the Company dated June 28, 2024 (the “Prospectus”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages II-1 to II-2 of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed initial listing of shares of the Company (the “Global Offering”) on the Group’s financial position as at December 31, 2023 as if the proposed Global Offering had taken place at December 31, 2023. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s historical financial information for each of the three years ended December 31, 2023, on which an accountants’ report set out in Appendix I to the Prospectus 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 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 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” issued by the HKICPA 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 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.

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 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 December 31, 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 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.

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.


Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
June 28, 2024