

**A. INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE
REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA
FINANCIAL INFORMATION**

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Our Ref.: GC/KI/B687/AUD2/ys

The Board of Directors
Litu Holdings Limited
3/F, 38 On Lok Mun Street
On Lok Tsuen
Fanling
New Territories
Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Litu Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") prepared by the directors of the Company (the "Directors"). The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities as at 31 December 2024, and related notes as set out in Appendix II to the circular in connection with the proposed acquisition of Shop B on G/F, 12/F, Shop C on G/F, Shop E on G/F, 2/F, 3/F, Office No. 1 on 4th Floor, Office No. 2 on 4th Floor, 5/F, 6/F, 7/F, 8/F & Flat Roof, 9/F, 10/F, 11/F & Flat Roof, 13/F, Whole on 14/F & Flat Roof, 15/F & Flat Roof, 16/F, Flat Roof on Portion on 17/F & Upper Flat Roof Above 17/F & Western Exterior Wall, 17/F (also known as Penthouse), Kam Chung Building, Nos. 52–58 Jaffe Road, Nos. 17 - 21 Fenwick Street, Wan Chai, Hong Kong (collectively the "Properties") (the "Proposed Acquisition") dated 26 May 2025 issued by the Company (the "Circular"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described in Appendix II to the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Proposed Acquisition on the Group's consolidated statement of assets and liabilities as at 31 December 2024 as if the Proposed Acquisition had taken place at 31 December 2024. 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 year ended 31 December 2024, on which an auditor's report has been published.

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").

Reporting accountant's 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 accountant's 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 accountant 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 the 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 Proposed Acquisition at 31 December 2024 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.

Reporting accountant's responsibilities (Continued)

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the entity, 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 by the Directors 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,



Forvis Mazars CPA Limited
Certified Public Accountants
Hong Kong, 26 May 2025

B. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

1. Introduction

The following is a summary of illustrative unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities as at 31 December 2024 in connection with the proposed acquisition of Shop B on G/F, 12/F, Shop C on G/F, Shop E on G/F, 2/F, 3/F, Office No. 1 on 4th Floor, Office No. 2 on 4th Floor, 5/F, 6/F, 7/F, 8/F & Flat Roof, 9/F, 10/F, 11/F & Flat Roof, 13/F, Whole on 14/F & Flat Roof, 15/F & Flat Roof, 16/F, Flat Roof on Portion on 17/F & Upper Flat Roof Above 17/F & Western Exterior Wall, 17/F (also known as Penthouse), Kam Chung Building, Nos. 52–58 Jaffe Road, Nos. 17 - 21 Fenwick Street, Wan Chai, Hong Kong (collectively the “Properties”) (the “Proposed Acquisition”). The unaudited pro forma financial information presented below is prepared to illustrate the financial position of Litu Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) immediately after completion of the Proposed Acquisition at 31 December 2024 as if the Proposed Acquisition had been completed on 31 December 2024.

The unaudited pro forma financial information is prepared based on the audited consolidated statement of financial position of the Group as at 31 December 2024 as extracted from the annual report of the Group for the year ended 31 December 2024.

The unaudited pro forma financial information is presented after making pro forma adjustments that are directly attributable to the Proposed Acquisition and not relating to future events or decisions, factually supportable and clearly identified as to those adjustments which are expected to have/have no continuing effect on the Group.

The unaudited pro forma financial information has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules, for the purposes of illustrating the effect of the Proposed Acquisition, and is based on a number of assumptions, estimates and uncertainties, currently available information and are prepared for illustrative purpose only. Because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Proposed Acquisition been completed as of 31 December 2024, where applicable, or any future date. Further, the unaudited pro forma consolidated statement of assets and liabilities of the Group does not purport to predict the future financial position of the Group.

The unaudited pro forma financial information should be read in conjunction with the historical financial information of the Group as set out in the annual report of the Group for the year ended 31 December 2024 and other financial information included elsewhere in the Circular.

2. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP

	The Group as at 31 December 2024	Pro forma adjustments	The Group after the Proposed Acquisition (unaudited pro forma)
	(audited) HK\$000 (Note i)	(unaudited) HK\$000 (Note ii)	HK\$000
Non-current assets			
Property, plant and equipment	634,802	-	634,802
Right-of-use assets	46,612	-	46,612
Investment properties	231,607	406,960	638,567
Goodwill	595,585	-	595,585
Intangible assets	419	-	419
Financial assets at fair value through profit or loss	-	-	-
Deferred tax assets	6,180	-	6,180
Prepayments and rental and other deposits paid	16,317	-	16,317
	<u>1,531,522</u>	<u>406,960</u>	<u>1,938,482</u>
Current assets			
Inventories	53,785	-	53,785
Trade receivables	211,236	-	211,236
Contract assets	13,430	-	13,430
Other receivables, prepayments and refundable deposits	66,676	-	66,676
Tax recoverable	83	-	83
Pledged bank deposits	60,484	-	60,484
Bank balances and cash	570,949	(406,960)	163,989
	<u>976,643</u>	<u>(406,960)</u>	<u>569,683</u>
Assets classified as held for sale	<u>175,360</u>	<u>-</u>	<u>175,360</u>
	<u>1,152,003</u>	<u>(406,960)</u>	<u>745,043</u>

2. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP (CONTINUED)

	The Group as at 31 December 2024	Pro forma adjustments	The Group after the Proposed Acquisition (unaudited pro forma)
	(audited) HK\$000 (Note i)	(unaudited) HK\$000 (Note ii)	HK\$000
Current liabilities			
Trade payables	189,097	-	189,097
Other payables and accruals	85,473	-	85,473
Lease liabilities	138	-	138
Bank borrowings	207,213	-	207,213
Income tax payable	14,653	-	14,653
	<u>496,574</u>	<u>-</u>	<u>496,574</u>
Net current assets	<u>655,429</u>	<u>(406,960)</u>	<u>248,469</u>
Total assets less current liabilities	<u>2,186,951</u>	<u>-</u>	<u>2,186,951</u>
Non-current liabilities			
Government grants	17,282	-	17,282
Lease liabilities	211	-	211
Deferred tax liabilities	31,393	-	31,393
	<u>48,886</u>	<u>-</u>	<u>48,886</u>
NET ASSETS	<u>2,138,065</u>	<u>-</u>	<u>2,138,065</u>

3. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

- (i) The unaudited pro forma consolidated statement of assets and liabilities of the Group as at 31 December 2024 is extracted, without adjustments, from the consolidated statement of financial position of the Group as of 31 December 2024 as set out in the published annual report of the Company for the year ended 31 December 2024.

- (ii) The adjustments reflect the proforma adjustments for the Proposed Acquisition.

The adjustments are to reflect (i) the consideration of the Proposed Acquisition of HK\$388,000,000; and (ii) other directly attributable costs of the Proposed Acquisition of approximately HK\$18,960,000, comprising property agent commission of approximately HK\$1,000,000, stamp duty fee of approximately HK\$16,490,000, legal fee of approximately HK\$1,100,000 and other costs of approximately HK\$370,000.

Pursuant to the Formal Agreement (as defined in this Circular), the consideration will be satisfied by cash. The Directors expect that the cash consideration will be solely funded by the Group's internal resources.

The Properties are classified as investment properties as the Group intends to hold the Properties for rental purposes. The investment properties are initially measured at cost (inclusive of transaction costs) and subsequently stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

- (iii) Save as set out above, the unaudited pro forma consolidated statement of assets and liabilities does not take into account any trading results or other transactions of the Group subsequent to 31 December 2024, including but not limited to the proposed disposal of the 31% equity interest in Changde Gold Roc Printing Co., Ltd. (常德金鵬印務有限公司) held by the Group announced on 20 May 2025, of which a circular is expected to be published on or before 10 June 2025.