

The information set out in this Appendix does not form part of the accountants' report on the historical financial information of the Group for the three years ended 31 December 2024 (the "Accountants' Report") prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set out in Appendix I to this prospectus, and is included herein for information only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set out in Appendix I to this prospectus.

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 net tangible assets 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 (as defined in this prospectus) on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 as if the Global Offering had taken place on that date.

The unaudited pro forma statement of adjusted consolidated net tangible assets 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 net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 or any future dates following the Global Offering.

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 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 net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 RMB'000 (note 1)	Estimated net proceeds from Global Offering RMB'000 (note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 RMB'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 per Share RMB HK\$ (note 3) (note 4)	
Based on an Offer Price of HK\$2.86 per Offer Share	926,086	143,889	1,069,975	3.92	4.25
Based on an Offer Price of HK\$3.35 per Offer Share	926,086	173,186	1,099,272	4.03	4.37

Notes:

- (1) The amount is calculated based on the audited consolidated net assets of the Group attributable to owners of the Company amounted to RMB926,211,000 as at 31 December 2024, with adjustment for intangible assets of the Group attributable to owners of the Company as at 31 December 2024 of RMB125,000 as extracted from the Accountants' Report set forth in Appendix I to this prospectus.

- (2) The estimated net proceeds from the Global Offering are based on 68,220,000 H Shares to be issued at the Offer Price of HK\$2.86 and HK\$3.35 per Offer Share, being the low end and high end of the indicated Offer Price range respectively, after deduction of the estimated listing expenses and share issue costs (including underwriting fees and other related expenses) incurred or expected to be incurred by the Group subsequent to 31 December 2024, other than those expenses which had been recognised in profit or loss prior to 31 December 2024. It 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 calculating the estimated net proceeds from the Global Offering, the amount denominated in Hong Kong dollars has been converted into Renminbi at an exchange rate of HK\$1 to RMB0.9226, which was the exchange rate prevailing on 7 March 2025 with reference to the rate published by the People's Bank of China. No representation is made that Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, 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 net tangible assets of the Group attributable to owners of the Company per Share is based on 272,879,509 Shares, comprising 204,659,509 Shares in issue as at 31 December 2024 and 68,220,000 H Shares to be issued, assuming the Global Offering had been completed on 31 December 2024. It 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.
- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is converted from Renminbi to Hong Kong dollars at the rate of HK\$1 to RMB0.9226, which was the exchange rate prevailing on 7 March 2025 with reference to the rate published by the People's Bank of China. No representation is made that the Renminbi amounts have been, would have been or may be converted to Hong Kong dollars, or vice versa, at that date or at any other rates or at all.
- (5) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 to reflect any operating result or other transactions of the Group entered into subsequent to 31 December 2024.
- (6) Certain property interests of the Group as at 31 March 2025 have been valued by AVISTA Valuation Advisory Limited, an independent property valuer. By comparing the valuation of the Group's property interests of approximately RMB401,570,000 provided by AVISTA Valuation Advisory Limited and the carrying amounts of these properties of approximately RMB368,428,000 as at 31 December 2024, the valuation surplus is approximately RMB33,142,000 as at 31 March 2025, which was not reflected in the above adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024. The revaluation surplus has not been included in the Historical Financial Information as at 31 December 2024 as set out in Appendix I to this prospectus. If the revaluation surplus was recorded in the Group's consolidated financial statements, the annual depreciation of the Group would increase by approximately RMB1,337,000.

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

To the Directors of X.J. Electrics (Hu Bei) Co., Ltd

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of X.J. Electrics (Hu Bei) Co., Ltd 湖北香江電器股份有限公司 (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 31 December 2024 and related notes as set out on pages II-1 to II-3 of Appendix II to the prospectus issued by the Company dated 17 June 2025 (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-3 of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Global Offering (as defined in the Prospectus) on the Group's financial position as at 31 December 2024 as if the Global Offering 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 historical financial information for each of the three years ended 31 December 2024, 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 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 behaviour.

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.

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 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 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' judgement, 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

17 June 2025