

(A) THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

The following is the unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group (the “**Unaudited Pro Forma Financial Information**”) after the completion of the Acquisition and the Disposal by the Group. Details of the Acquisition and the Disposal are set out in the section headed “Letter from the Board” contained in this circular. The Unaudited Pro Forma Financial Information presented below is prepared to illustrate the consolidated statement of financial position of the Enlarged Group as at 30 June 2025 as if the Acquisition and the Disposal has been completed on 30 June 2025.

The Unaudited Pro Forma Financial Information of the Enlarged Group has been prepared in accordance with Paragraph 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange and on the basis of the notes set out below, for the purpose of illustrating the effect of the Acquisition and the Disposal. The Unaudited Pro Forma Financial Information was based on number of assumptions, estimates and uncertainties. Because of its hypothetical nature, the Unaudited Pro Forma Financial Information may not give a true picture of the financial position of the Enlarged Group had the Acquisition and the Disposal been completed as at 30 June 2025 or any future date.

The Unaudited Pro Forma Financial Information should be read in conjunction with the historical financial information of the Group as set out in its published unaudited interim report for the six months ended 30 June 2025 and other financial information included elsewhere in this circular.

(1) Unaudited Pro Forma Consolidated Statement of Assets and Liabilities of the Enlarged Group

	The Group as at 30 June 2025	Pro forma adjustments		Unaudited pro forma total for the Enlarged Group
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	
Non-current assets				
Property, plant and equipment	43,628			43,628
Investment properties	54,045			54,045
Interests in associates	187,247	249,907	771	437,925
Deferred tax assets	<u>50,956</u>			<u>50,956</u>
	<u>335,876</u>			<u>586,554</u>

	The Group as at 30 June 2025	Pro forma adjustments		Unaudited pro forma total for the Enlarged Group
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	
Current assets				
Inventories and other contract costs	544,102			544,102
Trade and other receivables	239,726	(101,755)		137,971
Prepaid tax	6,848			6,848
Pledged and restricted deposits	5,072			5,072
Cash and cash equivalents	<u>234,753</u>	(145,992)	(771)	<u>87,990</u>
	<u>1,030,501</u>			<u>781,983</u>
Total assets	<u>1,366,377</u>			<u>1,368,537</u>
Current liabilities				
Contract liabilities	46,981			46,981
Trade and other payables	480,555	(80)		480,475
Lease liabilities	141			141
Tax payable	112,484			112,484
Provision	<u>22,286</u>			<u>22,286</u>
	<u>662,447</u>			<u>662,367</u>
Net current assets	<u>368,054</u>			<u>119,616</u>
Total assets less current liabilities	<u>703,930</u>			<u>706,170</u>
Non-current liabilities				
Lease liabilities	478			478
Deferred tax liabilities	<u>3,009</u>			<u>3,009</u>
	<u>3,487</u>			<u>3,487</u>
NET ASSETS	<u>700,443</u>			<u>702,683</u>

(2) Notes to Unaudited Pro Forma Financial Information of the Enlarged Group

- (1) The balances were extracted from the unaudited consolidated statement of financial position of the Group as at 30 June 2025 as set out in the Company's published unaudited interim report for the six months ended 30 June 2025.
- (2) Pursuant to the sale and purchase agreement dated 18 July 2025 entered into between Million Cities Development Limited ("**MC Development**"), a wholly owned subsidiary of the Company, and Ms. Teresa Wong, the Group has conditionally agreed to acquire approximately 25.30% of the total issued share capital of the Target Company at a total consideration of HK\$151,038,000 (equivalent to approximately RMB137,739,000) ("**Consideration**"), which shall be satisfied by (i) payment of the cash consideration of HK\$40,000,000 (equivalent to approximately RMB36,478,000); and (ii) the transfer of all issued shares of Fortune Brilliant City Limited ("**Fortune Brilliant**"), an indirectly wholly-owned subsidiary of the Company, from Ms. Teresa Wong.

In addition, pursuant to the subscription agreement dated 18 July 2025, MC Development has conditionally agreed to subscribe for, and the Target Company has conditionally agreed to allot and issue, the Subscription Shares, representing approximately 16.7% of the enlarged issued share capital of the Target Company upon completion of the transactions contemplated under the Sale and Purchase Agreement and the Subscription Agreement ("**Completion**"), at the Subscription Price of HK\$120,087,000 (equivalent to approximately RMB109,513,000).

As a result, upon Completion, the Company will be interested in approximately 37.7% of the entire issued share capital of the Target Company through MC Development.

The Completion is dependent on the fulfilment of certain conditions, amongst others, the approval from the shareholders of the Company. Upon the Completion, the Target Company will be accounted for as an associate using equity method under HKAS 28 Investments in Associates and Joint Ventures issued by the Hong Kong Institute of Certified Public Accountants.

The amount of approximately RMB249,907,000 represents the fair value of the 37.7% shareholding in the Target Group as at 18 July 2025. This amount is calculated by adding the net assets of the Target Group as at 18 July 2025 amounted to approximately RMB553,370,000 to the share subscription proceeds of approximately RMB109,513,000, resulting in adjusted net assets of approximately RMB662,882,000. The fair value attributable to the Group's 37.7% shareholding after the Completion is then determined, giving an amount of approximately RMB249,907,000.

Considering the proportion of the fair value of the identifiable assets and liabilities of the Target Group owned by the Group exceeds the Consideration, the Acquisition and the Disposal would result in a gain on disposal of RMB2,240,000.

Information about Fortune Brilliant:

Fortune Brilliant is an investment company incorporated in the British Virgin Islands with limited liability. As at 18 July 2025, Fortune Brilliant holds the entire issued share capital of Full Success International Limited (“**Full Success**”), an investment holding company incorporated in Hong Kong with limited liability. Furthermore, Full Success holds the entire equity interest in Huizhou Wanjia Information Consultancy Limited (“**Huizhou Wanjia**”), a company established in the PRC with limited liability.

The breakdown of the total asset and liabilities of Fortune Brilliant, Full Success, and Huizhou Wanjia are as follow:

	Combine of Fortune Brilliant, Full Success and Huizhou Wanjia before assignment of loan RMB'000	Assignment of loan (Note) RMB'000	Combine of Fortune Brilliant, Full Success and Huizhou Wanjia after assignment of loan RMB'000
Net assets/(liabilities) as at 18 July 2025			
Cash and cash equivalents	1		1
Other receivables	1	101,754	101,755
Other payables	(80)		(80)
	<u>(78)</u>		<u>101,676</u>

Note:

The assignment of loan has not been completed upon the Completion. The adjustment is to reflect the assignment of loan principal and accrued interest amounted to approximately RMB101,754,000 from Huizhou Hanji Real Estate Development Co., Ltd., an indirectly wholly-owned subsidiary of MC Development, to Huizhou Wanjia.

- (3) It represents the estimated legal and professional fees and other direct expenses in relation to the Acquisition and the Disposal of approximately RMB771,000. This adjustment will have no continuing effect on the Enlarged Group in the subsequent years.
- (4) Save as disclosed above, no other adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Enlarged Group entered into subsequent to 30 June 2025.

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

To the directors of Million Cities Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Million Cities Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities of the Group as at 30 June 2025 and related notes as set out on pages IV-1 to IV-5 of Appendix IV of the Company’s circular dated 24 October 2025 (the “**Circular**”), in connection with the proposed acquisition of the Fortune Radiant City Limited and its subsidiaries and disposal of Fortune Brilliant City Limited and its subsidiaries (“**the Acquisition and the Disposal**”). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on pages IV-1 to IV-5 of Appendix IV of the Circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Acquisition and the Disposal on the Group’s consolidated financial position as at 30 June 2025 as if the Acquisition and the Disposal had taken place at 30 June 2025. As part of this process, information about the Group’s consolidated financial position has been extracted by the directors of the Company from the Group’s interim report for the six months ended 30 June 2025, on which no audit or review report has been published.

Directors’ Responsibilities for the Unaudited Pro Forma Financial Information

The directors of the 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 (“**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 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 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 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 of the 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 a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity 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 Acquisition and the Disposal at 30 June 2025 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.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' 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 of the Company 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.



BDO Limited
Certified Public Accountants
Hong Kong
24 October 2025