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IBO TECHNOLOGY COMPANY LIMITED

艾伯科技股份有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2708)

SUPPLEMENTAL INFORMATION IN RELATION TO ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

Reference is made to the annual report of IBO Technology Company Limited (the “**Company**”) for the year ended 31 March 2023 (the “**Year**”) published on 28 July 2023 (the “**Annual Report**”). Unless otherwise stated, capitalised terms herein shall bear the meanings as defined in the Annual Report. In addition to the information provided in the Annual Report, the Board would like to provide additional information as follows:

Impairment losses under expected credit loss model, net of reversal

Page 233 of the Annual Report disclosed:

“During the year ended 31 March 2023, the Group has recognised approximately RMB148,669,000 (2022: RMB12,871,000) impairment allowance for trade receivables, based on individual assessments. Within that amount is an impairment allowance of approximately RMB63,915,000 (2022: RMB5,943,000) for credit-impaired debtors.”

Set out below is further information of the top ten customers involved in the trade receivables:

Customers	Trade receivables as at 31 March 2023 RMB	Impairment allowance for trade receivables recognised (reversed) for the Year RMB	Incurred dates for trade receivables	Due dates for trade receivables
Customer 1 (i.e. customer C in the Annual Report)	236,462,897	(3,035,797)	April 2022 to March 2023	October 2022 to September 2023
Customer 2	172,792,347	35,256,861	April 2021 to March 2022	July 2021 to June 2022
Customer 3 (i.e. customer B in the Annual Report)	151,424,523	456,936	January to February 2023	January to February 2023
Customer 4 (i.e. customer A in the Annual Report)	140,510,100	424,000	March 2023	June 2023
Customer 5	52,030,429	1,077,461	April to December 2022	April to December 2022
Customer 6	42,972,994	8,768,287	April 2021 to March 2022	July 2021 to June 2022
Customer 7	39,185,000	811,454	April to September 2022	October 2022 to March 2023
Customer 8	34,165,000	103,096	March 2023	June 2023
Customer 9	33,924,510	702,518	October to December 2022	October to December 2022
Customer 10	30,701,859	29,921,183	April 2020 to March 2022	April 2021 to March 2022 and October to December 2022

When determining any impairment loss is required for the Group's accounts receivables, the Company has taken into account of the relevant due dates. Since the accounts receivables of customers no. 2 and 10 have been overdue for 1 to 2 years, a higher rate of impairment loss has been applied.

Subsequent settlement in respect of trade receivables

Page 14 of the Annual Report disclosed:

“Despite the above-mentioned large increase in the Group’s ECLs for the Year, there were subsequent settlements of the trade receivables that amounted to approximately RMB384.5 million, which represented approximately 26.9% of the total balance of trade receivables as at 31 March 2023. All of the subsequent settlements were in cash.

In particular, in respect of customer A, approximately RMB140.51 million, representing all of its gross trade receivables balance as at 31 March 2023, were subsequently settled. In respect of customer B, RMB80 million, representing approximately 52.8% of its gross trade receivables balance as at 31 March 2023, were subsequently settled. They are new customers and well-capitalised. Also in respect of customer C, the gross trade receivable balance was approximately RMB236.46 million as at 31 March 2023 of which approximately RMB24.00 million was subsequently settled, representing 10.2% of the gross amount of customer C. The Group has a long business relationship with customer C. The Group believes that this outstanding trade receivable will be settled.”

As at the date of this announcement, the subsequent settlement of customer B and customer C remain unchanged.

Legal and other proposed actions to recover the trade receivables

The Group understand that its customers and their repayment ability have been affected by the adverse business environment but the Group has continuously communicated with and chased its customers in order to recover the trade receivables. The Group is also in the course of seeking legal advice (in particular for Customers 2 and 10 which outstanding amounts are relatively high and outstanding periods are relatively long) for any further action to recover the trade receivables.

The Board confirmed that the supplementary information provided in this announcement do not affect any other information contained in the Annual Report and, save as disclosed above, the content of the Annual Report remains unchanged.

By order of the Board
IBO Technology Company Limited
Lai Lai Tse Ming
Chairman

Hong Kong, 19 September 2023

As at the date of this announcement, the executive Directors are Mr. Lai Tse Ming, Mr. Gao Weilong, Mr. Liang Jun, Mr. Li Yang and Mr. Zhang Yaoliang; and the independent non-executive Directors are Dr. He Tianxiang, Mr. Hung Muk Ming and Mr. Jin Zi.