

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, certified public accountant or other professional adviser.

**If you have sold or transferred** all your shares in Yeebo (International Holdings) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---

**YEEBO (INTERNATIONAL HOLDINGS) LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 259)**

**VERY SUBSTANTIAL DISPOSAL  
IN RELATION TO DISPOSAL OF CERTAIN SHARES  
IN NANTONG JIANGHAI  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

**Financial adviser to the Company**



**UBS AG Hong Kong Branch**

---

A notice convening the SGM of Yeebo (International Holdings) Limited to be held at Huashan Room, Level 5, Island Shangri-la Hong-Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 17 April 2024 at 11:00 a.m. is set out on pages SGM-1 and SGM-2 of this circular. A form of proxy for use at the Special General Meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at <https://www.yeebo.com.hk>. Whether or not you are able to attend the SGM, you are required to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the Hong Kong share registrar of Yeebo (International Holdings) Limited, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Special General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder from attending and voting in person at the Special General Meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

28 March 2024

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	5
<b>APPENDIX I FINANCIAL INFORMATION OF THE GROUP</b> .....	I-1
<b>APPENDIX II FINANCIAL INFORMATION OF THE TARGET COMPANY</b> .	II-1
<b>APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP UPON COMPLETION</b> .....	III-1
<b>APPENDIX IV GENERAL INFORMATION</b> .....	IV-1
<b>NOTICE OF THE SPECIAL GENERAL MEETING</b> .....	SGM-1

---

## DEFINITIONS

---

*In this circular, the following expressions shall have the following meanings unless the context otherwise requires:*

“Announcement”	the announcement of the Company dated 12 March 2024 in relation to the Disposal
“Board”	the board of the Directors
“Company”	Yeebo (International Holdings) Limited (億都(國際控股)有限公司), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 259)
“Completion”	completion of the Disposal pursuant to the Share Purchase Agreement
“Completion Date”	the day on which the Sale Shares are transferred to the Purchaser and registered on CSDC with the Purchaser as the sole owner
“Condition(s) Precedent”	the condition(s) precedent set forth in the section headed “The Share Purchase Agreement – Conditions Precedent” of this circular, or one or some of them if the context so requires
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“CSDC”	Shenzhen Branch of the China Securities Depository and Clearing Corporation Limited
“Director(s)”	the director(s) of the Company
“Disposal”	the proposed disposal of the Sale Shares pursuant to the Share Purchase Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

---

## DEFINITIONS

---

“Latest Practicable Date”	19 March 2024, being the latest practicable date prior to the printing of this circular, for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	means the expiry of 120 calendar days after the Share Purchase Agreement was signed, or such later date as the Parties may agree in writing
“Nantong Jianghai Share(s)”	the share(s) of the Target Company
“PRC”	the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“Purchaser”	Zhejiang Construction Investment Group Company Limited* (浙江省經濟建設投資有限公司), a state-owned enterprise incorporated in the PRC on 28 January 1988
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC
“Sale Consideration”	RMB3,232,470,000, details of which are set forth in the section headed “The Share Purchase Agreement – Sale Consideration” in Letter from the Board of this circular
“Sale Shares”	170,130,000 Nantong Jianghai Shares, which represents 20.02% of total issued share capital of the Target Company <sup>1</sup>
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and approve, if thought fit, the Share Purchase Agreement and the Disposal

1 The percentages of shareholding in the Target Company in this circular (i) are calculated based on the number of shares of 849,953,221 shares in issue as at 11 March 2024 according to the record of China Securities Depository and Clearing Corporation Limited, and (ii) are rounded to two decimal places.

---

## DEFINITIONS

---

“Share Purchase Agreement”	the Share Purchase Agreement dated 12 March 2024 entered into between the Vendor and the Purchaser, the principal terms of which are set forth in the section headed “The Share Purchase Agreement” of this circular
“Shenzhen Listing Rules”	the Rules Governing the Listing of Shares on Shenzhen Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suzhou QingYue”	Suzhou QingYue Optoelectronics Technology Co. Ltd.* (formerly known as Kunshan Visionox Technology Co. Ltd.) (蘇州清越光電科技股份有限公司), a company incorporated in the PRC and the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 688496), whose principal activities are the development, manufacture and selling of organic light emitting diode display (“OLED”), e-paper modules and micro-OLED products
“Target Company”	Nantong Jianghai Capacitor Co., Ltd.* (南通江海電容器股份有限公司), a company incorporated in the PRC and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002484)
“Target Group”	the Target Company and its subsidiaries
“Trading Day(s)”	a day on which the Shenzhen Stock Exchange is open for dealing or trading in securities
“Transitional Period”	a period from the date of the Share Purchase Agreement (inclusive) to the Completion Date (exclusive)
“Vendor”	Billion Power Investment Limited (億威投資有限公司), a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of the Company
“Zaozhuang Reinno”	Zaozhuang Reinno Electronics Technology Co. Limited* (formerly known as Zaozhuang Visionox Electronics Technology Co., Limited) (棗莊睿諾電子科技有限公司), a company incorporated in the PRC whose principal activities are the manufacture and sales of flexible printed circuits (“FPC”) and OLED related materials

---

## DEFINITIONS

---

“Zhejiang Communications”	Zhejiang Communications Investment Group Co., Ltd.* (浙江省交通投資集團有限公司), a state-owned enterprise incorporated in the PRC on 29 December 2001 and the controlling shareholder of the Purchaser
“Zhejiang SASAC”	State-owned Assets Supervision and Administration Commission of the People’s Government of Zhejiang Province
“%”	per cent

\* For identification purpose only

*For the purpose of the “Letter from the Board” of this circular, the conversion of RMB into HKD is made based on the approximate exchange rate of HK\$1 to RMB0.90731 for illustration purpose only. Such exchange rate is the HKD-RMB middle exchange rate published by the China Foreign Exchange Trade System under the authorization of the People’s Bank of China on 12 March 2024, the date on which the Company published its announcement in relation to the Disposal.*

---

## LETTER FROM THE BOARD

---



### YEEBO (INTERNATIONAL HOLDINGS) LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 259)**

*Executive Directors:*

Mr. FANG Yan Tak, Douglas

Mr. LI Kwok Wai, Frankie

Mr. LEUNG Tze Kuen

*Registered office:*

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

*Independent non-executive Directors:*

Mr. CHU Chi Wai, Allan

Mr. LAU Yuen Sun, Adrian

Professor LAU Kei May

*Principal place of business*

*in Hong Kong:*

7th Floor

On Dak Industrial Building

2-6 Wah Sing Street

Kwai Chung

New Territories

Hong Kong

28 March 2024

*To the Shareholders*

Dear Sirs or Madams,

**VERY SUBSTANTIAL DISPOSAL  
IN RELATION TO DISPOSAL OF CERTAIN SHARES  
IN NANTONG JIANGHAI  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

#### **INTRODUCTION**

Reference is made to the Announcement of the Company dated 12 March 2024.

As announced by the Company, on 12 March 2024 (after trading hours), the Vendor (a direct wholly-owned subsidiary of the Company) and the Purchaser entered into the Share Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Sale Shares which represent 20.02% of the total issued share capital of the Target Company, namely Nantong Jianghai Capacitor Co., Ltd.\* (南通江海電容器股份有限公司), for the Sale Consideration of RMB3,232,470,000. Upon

---

## LETTER FROM THE BOARD

---

Completion, the Vendor will continue to own 74,891,000 Nantong Jianghai Shares, representing 8.81% of the total issued share capital of the Target Company, and the Target Company will cease to be an associate of the Company.

The purpose of this circular is to provide you with: (i) further details of the Disposal; (ii) the financial and other information of the Group; (iii) the financial information of the Target Group; (iv) the unaudited pro forma financial information of the Group upon Completion; and (v) the notice of the SGM, to enable you to make an informed decision on whether to vote for or against the resolution to be proposed at the SGM.

### THE SHARE PURCHASE AGREEMENT

#### Date

12 March 2024 (after trading hours)

#### Subject of the Disposal

The Sale Shares, namely 170,130,000 Nantong Jianghai Shares, represent 20.02% of the total issued share capital of the Target Company<sup>2</sup>.

#### Sale Consideration

The Sale Consideration is RMB3,232,470,000, which represents a price of RMB19 per Sale Share.

The Sale Consideration shall be paid in cash and deposited by the Purchaser in the following manner:

- (i) 10% of the Sale Consideration shall be deposited into a joint account within three Trading Days of the setting up of the joint account, which the joint account shall be set up within three Trading Days from the date of the Share Purchase Agreement; and
- (ii) the remaining 90% of the Sale Consideration shall be deposited into the joint account within three Trading Days upon issuance of a confirmation opinion by the Shenzhen Stock Exchange confirming that the Disposal is compliant with its relevant requirements in accordance with the Share Purchase Agreement.

2 The percentages of shareholding in the Target Company in this circular (i) are calculated based on the number of shares of 849,953,221 shares in issue as at 11 March 2024 according to the record of China Securities Depository and Clearing Corporation Limited, and (ii) are rounded to two decimal places.

---

## LETTER FROM THE BOARD

---

The Sale Consideration deposited into such joint account cannot be used, transferred or withdrawn without the prior written consent of the Vendor and the Purchaser. As of the date of this circular, the joint account has been set up and 10% of the Sale Consideration has been deposited into the joint account.

According to PRC foreign exchange regulations, transfer of funds to an offshore entity's account requires completion of the SAFE registration (the “**SAFE Registration**”) and obtainment of the Taxation Recordation Form for Foreign Payments (《對外支付稅務備案表》) (the “**Taxation Filing**”) before the actual payment. The completion of the SAFE Registration and Taxation Filing can only be done after the transfer of Sale Shares. Therefore, the Sale Consideration will be transferred from the joint account to the bank account of the Vendor within three Trading Days upon (i) the Completion and (ii) completion of the SAFE Registration and Taxation Filing. The Target Company shall be responsible for completing the SAFE Registration, while the Purchaser and the Vendor shall be jointly responsible for completing the Taxation Filing. The time required for completing the SAFE Registration and Taxation Filing normally does not exceed ten (10) Trading Days, subject to case-by-case variances. So far as the Company is aware, there is no legal impediment to completing the SAFE Registration and the Taxation Filing.

The Vendor had conducted a comprehensive auction sale process to solicit offers from independent third parties willing to purchase the Sale Share(s). The selection of the Purchaser as a preferred bidder was based on a number of factors including the amount of the Sale Consideration (which was determined following arm's length negotiations and which represents a premium to the average trading price of Nantong Jianghai Shares over the last one-, three-, and six-month periods), timing required and certainty to complete the Disposal.

### **Transitional Arrangements**

The parties have agreed on certain customary transitional arrangements for the period between the date of the Share Purchase Agreement and the Completion Date. In particular, if there is any bonus issue of shares or capitalisation of capital reserve of the Target Company during the Transitional Period, the newly distributed shares will form part of the Sale Shares to be transferred to the Purchaser for no additional consideration, over and above the Sale Consideration. If profit distribution takes place by way of cash after the date of the Share Purchase Agreement and the record date for determining entitlement to the profit distribution is prior to the date of payment of the Sale Consideration, the Vendor is entitled to such profit distribution up to RMB0.15 (tax inclusive) per Nantong Jianghai Share, with reference to the historical profit distribution of the Target Company. The Purchaser will be entitled to the portion of profit distribution exceeding RMB0.15 (tax inclusive) (if any) per Nantong Jianghai Share and the Sale Consideration will thus be deducted by such amount accordingly.

### **Conditions Precedent**

The transfer of Sale Shares to the Purchaser is conditional upon the satisfaction and/or waiver (as applicable) of the following Conditions Precedent:

---

## LETTER FROM THE BOARD

---

- (a) the Disposal having been approved by the shareholders of the Company;
- (b) the transfer of the Sale Shares to the Purchaser having been approved by Zhejiang SASAC and Zhejiang Communications;
- (c) State Administration for Market Regulation or its authorized subordinate agency having carried out an examination of the concentration of business undertakings with respect to the Disposal and does not object to the Disposal;
- (d) issuance of confirmation opinion by the Shenzhen Stock Exchange confirming that the Disposal is compliant with its relevant requirements in accordance with the Share Purchase Agreement;
- (e) the Purchaser having deposited the Sale Consideration in the manner as set forth in the section headed “The Share Purchase Agreement – Sale Consideration” and having provided a copy of the corresponding bank payment proof;
- (f) the Purchaser’s warranties being true, accurate, and complete in all material respects and not misleading, as of the Completion Date;
- (g) shares of the Target Company not being subject to warning(s) by the Shenzhen Stock Exchange of delisting risk;
- (h) up until the date on which the Purchaser deposits the full amount of Sale Consideration into the joint account, to the extent the Target Company has published an audited financial statements for the financial year ended 31 December 2023, such report not containing a qualified, adverse or disclaimer of opinion; and
- (i) the Vendor’s warranties being true, accurate and complete in all material respects and not misleading, as of the Completion Date.

Conditions Precedent (a) to (d) may not be waived. Conditions Precedent (e) (with respect to the manner in which the Purchaser deposits the Sale Consideration, for example, where there are minor discrepancies as to timing) and (f) may be waived by the Vendor. For the avoidance of doubt, even if the Vendor chooses to waive Condition Precedent (e): (i) the obligation of the Purchaser to pay the Sale Consideration in full will not be affected; and (ii) the transfer of Sale Shares to the Purchaser is subject to the Purchaser having deposited the Sale Consideration into the joint account. Conditions Precedent (g) to (i) may be waived by the Purchaser. As of the date of this circular, none of the above mentioned conditions precedent has been fulfilled or waived.

---

## LETTER FROM THE BOARD

---

### **Completion**

Completion shall take place upon (i) the satisfaction and/or waiver (as applicable) of the Conditions Precedent set forth in the section headed “The Share Purchase Agreement – Conditions Precedent” of this circular; and (ii) the registration of the transfer of the Sale Shares at the CSDC, with the Purchaser being registered as the sole owner of the Sale Shares.

Upon Completion, the Vendor will continue to own 74,891,000 Nantong Jianghai Shares, representing 8.81% of the total issued share capital of the Target Company, and the Target Company will cease to be an associate of the Group. The remaining Nantong Jianghai Shares owned by the Vendor will be measured at fair value through profit or loss in the Group’s consolidated financial statements.

### **Break Fee**

In the event that (i) Conditions Precedent (b) and/or (c) have not been satisfied before the Long Stop Date, (ii) the Purchaser fails to set up the joint account and/or deposit the Sale Consideration in the manner as set forth in the section headed “The Share Purchase Agreement – Sale Consideration” and has delayed for more than 10 Trading Days, (iii) the Purchaser fails to apply for confirmation from the Shenzhen Stock Exchange with respect to the Disposal and has delayed for more than 10 Trading Days, or (iv) the Purchaser fails to apply to CSDC for registration of transfer of the Sale Shares and has delayed for more than 10 Trading Days, the Vendor is entitled to terminate the Share Purchase Agreement and require the Purchaser to pay the Vendor a break fee amounting to RMB1 million under circumstance (i) of this paragraph, or a break fee amounting to 5% of the Sale Consideration under circumstances (ii), (iii) and (iv) of this paragraph.

In the event that (i) Condition Precedent (a) has not been satisfied before the Long Stop Date, (ii) the Vendor fails to cooperate with the Purchaser to set up the joint account as set forth in the section headed “The Share Purchase Agreement – Sale Consideration”, (iii) the Vendor fails to apply for confirmation from the Shenzhen Stock Exchange with respect to the Disposal and has delayed for more than 10 Trading Days, or (iv) the Vendor fails to apply to CSDC for registration of transfer of the Sale Shares and has delayed for more than 10 Trading Days, the Purchaser is entitled to terminate the Share Purchase Agreement and require the Vendor to pay the Purchaser a break fee amounting to RMB1 million under circumstance (i) of this paragraph, or a break fee amounting to 5% of the Sale Consideration under circumstances (ii), (iii) and (iv) of this paragraph.

### **Pre-emptive Right**

If the Vendor intends to transfer some or all of its remaining Nantong Jianghai Shares by way of agreement under the PRC laws to a third party which is not an affiliate of the Vendor subsequent to the Purchaser’s payment of the Sale Consideration, the Purchaser shall have a

---

## LETTER FROM THE BOARD

---

pre-emptive right over such Nantong Jianghai Shares, subject to the requirement that the Purchaser issues a written notice to exercise such pre-emptive right within 10 Trading Days from the date of receipt of the notice of transfer from the Vendor.

### **Undertakings**

The parties have agreed to certain customary undertakings. In particular, as the Purchaser wishes to obtain control of the Target Company so as to consolidate financial results of the Target Group into the consolidated financial statements of the Purchaser after the Disposal, the Vendor has undertaken (i) to nominate such persons recommended by the Purchaser as directors of the Target Company in substitution of the current directors nominated or recommended by the Vendor, propose to convene an extraordinary general meeting and vote for such persons on the extraordinary general meeting, (ii) to procure the current directors nominated or recommended by the Vendor to resign after the directors proposed by the Purchaser to be appointed are elected, and (iii) that the Vendor will not individually or jointly pursue control of the Target Company.

### **Termination**

The Share Purchase Agreement may be terminated before the Completion Date:

- (a) upon mutual consent of the parties;
- (b) at the election of the Vendor, if the Purchaser fails to set up the joint account and/or deposit the Sale Consideration in the manner as set forth in the section headed “The Share Purchase Agreement – Sale Consideration” and has delayed for more than 10 Trading Days, provided that the right to terminate shall not be available where the Vendor caused the breach of the Purchaser;
- (c) at the election of the Purchaser, if the Vendor fails to cooperate with the Purchaser to set up the joint account as set forth in the section headed “The Share Purchase Agreement – Sale Consideration” and has delayed for more than 10 Trading Days, provided that the right to terminate shall not be available where the Purchaser caused the breach of the Vendor;
- (d) at the election of the non-breaching party, if the other party fails to apply for confirmation from the Shenzhen Stock Exchange with respect to the Disposal and has delayed for more than 10 Trading Days, provided that the right to terminate shall not be available where the non-breaching party caused the breach of the other party;
- (e) at the election of the non-breaching party, if any one or more of the Conditions Precedent has not been fulfilled or waived on or prior to the Long Stop Date, provided that the right to terminate shall not be available where the non-breaching party caused the breach of the other party; or

---

## LETTER FROM THE BOARD

---

- (f) at the election of the non-breaching party, upon all the Conditions Precedent being fulfilled and/or waived, if the other party fails to cooperate in the share transfer procedures with respect to the Sale Shares.

### INFORMATION ON THE TARGET COMPANY

The Target Company, Nantong Jianghai Capacitor Co., Ltd.\* (南通江海電容器股份有限公司), is a company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002484). It is principally engaged in the manufacturing and trading of aluminium electrolytic capacitors, thin film capacitors and super capacitors.

### Financial Information of the Target Company

Based on the Target Company's unaudited consolidated financial statements for the nine months ended 30 September 2023 and its audited consolidated financial statements prepared in accordance with the Accounting Standards for Business Enterprises of China (中國企業會計準則) for the years ended 31 December 2021 and 2022 as published in its quarterly report and annual reports for the said periods, the Target Group's profits before and after taxation for the years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023 are as follows:

	<b>For the year ended 31 December 2021</b>	<b>For the year ended 31 December 2022</b>	<b>For the nine months ended 30 September 2023</b>
Profits before taxation	RMB500,912,184.30	RMB749,677,743.31	RMB634,922,410.77
Profits after taxation	RMB438,375,219.52	RMB662,469,368.60	RMB548,772,651.45

Based on the unaudited consolidated financial statements of the Target Company as published in its third quarterly report for the financial year of 2023, its total asset value, net asset value and net asset value attributable to shareholders as at 30 September 2023 are RMB7,086.2 million, RMB5,358.6 million and RMB5,332.3 million, respectively.

### *Market price and net asset value of Nantong Jianghai Shares and market value of the 20.02% shareholding in the Target Company*

As at 31 December 2023, the 52-week lowest and highest trading price of a Nantong Jianghai Share is RMB14.41 and RMB26.38 respectively, and the average closing price of a Nantong Jianghai Share in the last one year is RMB19.60. Based on such average closing price of RMB19.60 in the last one year, the market value of 170,130,000 Nantong Jianghai Shares, representing 20.02% shareholding in the Target Company, is RMB3,334,548,000.

---

## LETTER FROM THE BOARD

---

The unaudited consolidated net asset value per Nantong Jianghai Share as at 30 September 2023 is approximately RMB6.31, which is calculated based on the unaudited consolidated net asset value of the Target Company attributable to its shareholders of RMB5,332,325,622.73 as at 30 September 2023 divided by the total number of 845,286,241 Nantong Jianghai Shares in issue as at 30 September 2023.

### INFORMATION ON THE COMPANY

The Group is principally engaged in the manufacture and sales of liquid crystal displays (“LCD”), LCD modules (“LCM”), Thin Film Transistor modules (“TFT”) and Capacitive Touch Panel modules (“CTP”) products.

### INFORMATION ON THE PURCHASER

Zhejiang Construction Investment Group Company Limited\* (浙江省經濟建設投資有限公司) is a state-owned enterprise incorporated in the PRC on 28 January 1988. The Purchaser is a wholly-owned subsidiary of Zhejiang Communications (which is controlled by Zhejiang SASAC) and an investment holding company with a primary focus on transportation related industries and strategic emerging industries.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

### REASONS FOR AND BENEFITS OF THE DISPOSAL

From time to time, the Company undertakes a strategic review of its businesses and investments. The Company started investing in the Target Company in 2005. Since then, the business of the Target Company has grown substantially and the Target Company became an independently listed company in 2010. The Company considers that the introduction of the Purchaser as a strategic investor into the Target Company would further enhance the Target Company’s growth and development. In addition, the Disposal would crystallise a gain on the equity investment for the Company to enable the Group to apply the net proceeds from the Disposal to further develop the Group’s business.

Based on the factors as described in the section headed “The Share Purchase Agreement – Sale Consideration” and the reasons and benefits stated above, the Directors are of the view that the terms of the Share Purchase Agreement and the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, the Vendor will continue to own 74,891,000 Nantong Jianghai Shares, representing 8.81% of the total issued share capital of the Target Company, and the Target Company will cease to be an associate of the Company. The remaining Nantong Jianghai Shares owned by the Vendor will be measured at fair value through profit or loss in the Group’s

---

## LETTER FROM THE BOARD

---

consolidated financial statements. As at the date of this circular, the Company has no intention to dispose of further Nantong Jianghai Shares and to scale down, dispose of or terminate the Group's existing business (i.e. the manufacture and sales of LCD, LCM, TFT and CTP products).

On the basis of the Sale Consideration of RMB3,232,470,000, after deducting the related transaction costs, taxes and the unaudited net carrying value of the Company's entire shareholding in the Target Company as stated in the Group's financial statements as at 30 September 2023 (being approximately HK\$1.8 billion, which included the currency translation reserve) and adding back a fair value of the remaining 74,891,000 Nantong Jianghai Shares<sup>3</sup> (being approximately HK\$1.4 billion), the Company currently estimates that the Group will, upon Completion, realise an unaudited gain on the disposal of the Sale Shares (before releasing related deferred tax charge or credit) of approximately HK\$2.7 billion.

Assuming that the Disposal had been completed on 30 September 2023, the Group's assets and liabilities as at 30 September 2023 would have increased as follows: (i) an increase in total assets by approximately HK\$2,705 million; (ii) an increase in net assets by approximately HK\$2,650 million; and (iii) an increase in total liabilities by approximately HK\$56 million.

Pursuant to the unaudited pro forma financial information of the Group upon Completion as set out in Appendix III of this circular, as at 30 September 2023, the unaudited pro forma consolidated total assets and total liabilities of the Group upon Completion would be approximately HK\$5,642 million and HK\$545 million, respectively.

Shareholders should note that the amount of the gain or loss (if any) on the Disposal to be recorded in the financial statements of the Group for the year ending 31 March 2025 (or any other applicable reporting period) will be subject to audit, and therefore may vary from the figure provided above.

### USE OF PROCEEDS

It is expected that the Company will receive net cash proceeds of approximately RMB2.7 billion from the Disposal.

The Company intends to apply the net proceeds from the Disposal to generate further value for its shareholders as follows: in respect of its existing lines of business, the Company may invest to improve its operational capabilities and may also consider expanding its operational capacity. A certain amount of the net cash proceeds is intended to be used as general working capital for the daily operations of the Group. If suitable opportunities arise, the Company may consider strategic business acquisitions. As at the date of this circular, the Company has not identified any specific business acquisition targets. To the extent the Group has surplus cash after such use of proceeds, the Company may consider ways to return the

3 The fair value of the remaining 74,891,000 Nantong Jianghai Shares on the Completion Date is calculated based on the closing price of a Nantong Jianghai Share as at 1 March 2024.

---

## LETTER FROM THE BOARD

---

surplus cash to Shareholders, such as through a declaration of dividends. In the event further plans are formed in relation to the Company's use of proceeds from the Disposal, the Company will include the relevant details in further announcements.

### **LISTING RULES APPLICATIONS**

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Disposal is 75% or more, the Disposal constitutes a very substantial disposal for the Company pursuant to Rule 14.06(4) of the Listing Rules and are therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

### **WAIVER FROM STRICT COMPLIANCE WITH RULE 14.68(2)(a)(i) OF THE LISTING RULES**

Pursuant to Rule 14.68(2)(a)(i) of the Listing Rules, for a circular issued in relation to a very substantial disposal, it is required for the financial information of either (a) the Target Company; or (b) the Group with the Target Company being shown separately, to be included in the circular in relation to the Disposal, where such financial information must be reviewed by the Company's auditors or reporting accountants according to the relevant accounting standards as specified under Rule 14.68(2)(a)(i) of the Listing Rules (the "**Rules Requirements**").

According to Note 2 to Rule 14.68(2)(a)(i) of the Listing Rules, the Stock Exchange may be prepared to relax the Rules Requirements if the assets of the Target Company are not consolidated in the accounts of the Group before the Disposal. In this connection, the Company has applied for, and the Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 14.68(2)(a)(i) of the Listing Rules based on the following grounds:

- (a) As of the date of this circular, the Group beneficially owns a total of 245,021,000 Nantong Jianghai Shares, representing approximately 28.83% interest of the issued share capital of Target Company. The Company's investment in the Target Company has been accounted as an investment in an associate and the financial results of Target Company are not consolidated into the results of the Group;
- (b) The Target Company is an independently listed company on the Shenzhen Stock Exchange. The Company does not have access to the Target Company's underlying books and records, and the Target Company is not obliged to assist the Company by providing access to any financial information and/or underlying books and records other than those which are publicly available. It is thus unduly burdensome and practically difficult for the Company to conduct a separate review on the financial information of the Target Company;

---

## LETTER FROM THE BOARD

---

- (c) The Target Company has adopted the accounting policies in accordance with the Chinese Accounting Standards for Business Enterprises in preparing its financial statements, which do not differ in any material respects from the accounting policies adopted by the Company in accordance with the Hong Kong Financial Reporting Standards in the preparation of its financial statements. The Target Company's audited financial information for each of the three financial years ended 31 December 2020, 2021 and 2022 has been published and each of the relevant financial statements is accompanied by an unqualified audit opinion issued in accordance with the Auditing Standards for Certified Public Accountants of China. The Target Company has also published its unaudited financial information for each quarterly period from 2020 to 30 September 2023, which was prepared in accordance with the rules issued by the China Securities Regulatory Commission and the responsible accounting personnel of the Target Company have declared the truthfulness, accuracy and completeness of such financial information in such quarterly reports; and
- (d) The Company has included in this circular, as alternative disclosure, a summary of the financial information of the Target Company for each of the financial years ended 31 December 2020, 2021 and 2022 and for the nine months ended 30 September 2023 which are extracted from the respective published annual reports and quarterly reports of the Target Company, together with the links to the full financial statements of the Target Company.

You may refer to Appendix II to this circular for the summary of financial information of the Target Company and the published financial statements of the Target Company for the financial years ended 31 December 2020, 2021 and 2022 and for the nine months ended 30 September 2023, which are available on the websites of Target Company (<https://www.jianghai.com/>) and the Shenzhen Stock Exchange for further details.

### **SPECIAL GENERAL MEETING**

An ordinary resolution will be proposed at the SGM to seek Shareholders' approval of the Share Purchase Agreement and the transactions contemplated thereunder. As far as the Company is aware, having made all reasonable enquiries, none of the Shareholders is materially interested in the Share Purchase Agreement and the transactions contemplated thereunder and therefore no Shareholder is required to abstain from voting on the resolution in relation to the Share Purchase Agreement and the transactions contemplated thereunder at the SGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the resolution to be considered and, if thought fit, approved at the SGM will be voted by way of poll by the Shareholders.

---

## LETTER FROM THE BOARD

---

### RECOMMENDATION

Having considered the reasons set out herein, the Directors are of the view that the Share Purchase Agreement and the transactions contemplated thereunder were on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Share Purchase Agreement and the transactions contemplated thereunder.

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,  
For and on behalf of the Board  
**Mr. Fang Yan Tak, Douglas**  
*Chairman*

**1. FINANCIAL INFORMATION OF THE GROUP**

The unaudited consolidated financial statements of the Group for the six months ended 30 September 2023 and audited consolidated financial statements of the Group for the three financial years ended 31 March 2021, 2022 and 2023 have been disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.yeebo.com.hk>):

- interim report of the Company for the six months ended 30 September 2023 published on 22 December 2023 (pages 17 to 38);
- annual report of the Company for the year ended 31 March 2023 published on 26 July 2023 (pages 41 to 140);
- annual report of the Company for the year ended 31 March 2022 published on 27 July 2022 (pages 42 to 144); and
- annual report of the Company for the year ended 31 March 2021 published on 28 July 2021 (pages 39 to 140).

**2. STATEMENT OF INDEBTEDNESS**

At the close of business of 29 February 2024, being the latest practicable date for the purpose of the indebtedness statement prior to the printing of this circular, the indebtedness of the Group comprise the following:

- (a) unsecured bank borrowings of approximately HK\$36,191,000, of which HK\$31,739,000 was guaranteed by the Company and HK\$4,452,000 was not guaranteed; and
- (b) unguaranteed lease liabilities of approximately HK\$4,279,000 which were secured by rental deposit.

Save as disclosed above or as otherwise mentioned herein, except for intra-group liabilities and normal accounts payables in the ordinary course of business, as at 29 February 2024, the Group did not have any debt securities issued and outstanding, and authorized or otherwise created but unissued, and term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances or acceptance credits or hire purchase commitments, and any mortgages and charges, guarantees and material contingent liabilities.

**3. NO MATERIAL ADVERSE CHANGE**

Save as disclosed in the Company's public announcements (including the profit warning as announced by the Company on 3 November 2023), the Directors confirmed that, there were no material adverse changes in the financial or trading position or prospects of the Group since 26 July 2023 (being the date which the latest published audited consolidated financial statements of the Group had been made up) up to the Latest Practicable Date.

**4. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the internal resources and the net cash proceeds expected to be received from the Disposal, the working capital available to the Group is sufficient to satisfy its present requirements for at least the next 12 months from the date of this circular in the absence of unforeseen circumstances.

**5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

A post-COVID-19 pandemic recovery in the business sentiment was not as strong as had been expected by the Group. Customers remained cautious and adopted the destocking approach in view of high interest rates and intensifying geopolitical tensions.

Despite the volatile and complicated economic landscape, the Group continued to improve on its operational efficiency and cost control, and raising the levels of automation and customer satisfaction. Such efforts have prepared the Group well against the potential challenges and laid a strong foundation for the Group's further development and success in the future.

Furthermore, the Group invested RMB100 million in a private company specializing in the design, research and development and sales of graphics processing unit chips in 2023. This significant investment marked the initial step toward the corporate transformation of the Group. The Group is committed to continuing its transformation and strategic focus on industries centered on advanced technology-based manufacturing.

Looking ahead, the Group anticipates that the challenging geopolitical and commercial landscape will persist for some time. Nevertheless, the Group maintains its confidence in its long-term prospects, bolstered by its exceptional services, skilled management team and diversified strategy.

## 6. MANAGEMENT DISCUSSION AND ANALYSIS

**For the year ended 31 March 2021**

### *Review of operations*

The Group recorded a consolidated revenue for the year ended 31 March 2021 of approximately HK\$892 million (2020: HK\$813 million), an increase of HK\$79 million or 10% as compared with the previous year. Profit attributable to owners of the Company was HK\$188 million (2020: HK\$124 million), representing an increase of approximately HK\$64 million. The increase in profit was mainly due to the increase in the share of profits of associates from HK\$98 million to HK\$182 million, a rise of 86% from the previous year.

The Covid-19 pandemic has given rise to unprecedented challenge in the business operating environment. Due to the worldwide protective measures implemented against the pandemic like social distancing and travel restriction, the global supply chain was unavoidably disrupted to a certain extent. The Group has taken swift and effective measures to resume our production in the shortest possible time frame and focus the marketing effort in the high growth market segment like medical equipment and electric meter. Sales of LCD recorded an increase of 11% to HK\$192 million. Sales of LCM edged up from HK\$543 million to HK\$582 million mainly contributed by the increase in the sales of TFT. As a result of aggressive marketing, sales of CTP and Thin Film Transistor – Capacitive Touch Panel (“TFT-CTP”) modules increased from HK\$98 million to \$117 million. Nevertheless, the profitability was lower due to (1) keen price competition arising from the oversupply situation; (2) the appreciation of RMB which increased the manufacturing costs; (3) underutilization of production capacity leading to under-absorption of factory overheads; and (4) the surge in certain material costs, in particular TFT panels and integrated circuits. Although the gross profit increased by 3% which was mainly contributed by the increase in revenue, the gross profit margin slid from 13% to 12%.

In the year ended 31 March 2021, other income amounted to approximately HK\$24 million (2020: HK\$12 million) which mainly comprised the government subsidy of HK\$11 million (2020: HK\$1 million) and tooling income of HK\$3 million (2020: HK\$2 million).

Net gain of HK\$1 million from other gains and losses for year was mainly attributable to the net effect of exchange loss of HK\$18 million and the increase in fair value of financial assets at fair value through profit or loss of HK\$20 million.

Selling and distribution expenses amounted to approximately HK\$74 million (2020: HK\$72 million). The increase of HK\$2 million was mainly due to the increase in staff costs.

Administrative expenses was HK\$27 million (2020: HK\$28 million). The decrease of approximately HK\$1 million was mainly due to the drop in traveling expense.

***Investments in associates******(1) Investment in Nantong Jianghai***

The Group's share of profit from Nantong Jianghai, its 31.5% owned associate as at 31 March 2021, increased from HK\$81 million to HK\$154 million, representing an increase of HK\$73 million or 90%. In the year ended 31 March 2021, Nantong Jianghai delivered a remarkable financial performance mainly attributable to factors such as strong business growth in aluminium electrolytic capacitors upon aggressive marketing strategy targeting at high growth markets like medical equipment, telecommunication and new energy markets, the optimization of production of thin film capacitors and expansion of production capacity in the new plant for supercapacitor business.

***(2) Investment in Suzhou QingYue***

The Group's share of profit of Suzhou QingYue, its 35.1% owned associate as at 31 March 2021, was approximately HK\$31 million, an increase of HK\$14 million from the previous year. Suzhou QingYue registered a strong sales growth largely because it has successfully captured a significant share in the medical and health care products to compensate for the shrinkage of the wearable markets. During the year ended 31 March 2021, Suzhou QingYue successfully opened up the e-paper modules market, which is expected to generate growth momentum in the future.

***(3) Investment in Zaozhuang Reinno***

The Group's share of loss from Zaozhuang Reinno, its 40% associate as at 31 March 2021, in the year ended 31 March 2021 amounted to HK\$3 million (2020: HK\$0.2 million), mainly due to a drop in government income. The business operation experienced a longer than expected product and market development progress which was the main reason of the operating loss incurred in year ended 31 March 2021.

***Income tax***

Effective tax rate in relation to the Group's core business (income tax expenses excluding withholding tax on undistributed profits in associates as a percentage of profit before income tax excluding share of results of associates) was 18% (2020: 228%). The decrease in effective tax rate was largely due to the losses incurred by certain subsidiaries (in which no deferred tax assets have been recognized) and exchange losses incurred which were not deductible for tax purposes in the previous year.

***Liquidity and financial resources***

As at 31 March 2021, the Group's current ratio was 2.0 (31 March 2020: 2.3). The gearing ratio, as a ratio of bank borrowings to net worth, was 0.2% (31 March 2020: 0.2%).

As at 31 March 2021, the Group had total assets of approximately HK\$2,532 million, which were financed by liabilities of HK\$374 million and total equity of HK\$2,158 million.

As at 31 March 2021, the Group's banking facilities amounted to approximately HK\$189 million (31 March 2020: HK\$163 million) of which approximately HK\$4 million (31 March 2020: HK\$4 million) were utilized mainly for issuance of letters of credit, short term loan and bills payable.

Certain subsidiaries of the Group have foreign currency assets and liabilities, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and has taken appropriate hedging measures against significant foreign currency exposures.

#### ***Contingent liabilities and charges of assets***

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 31 March 2021.

#### ***Employment and remuneration policy***

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other performance reward are based on the financial performance of the Group and the performance of individual staff. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance.

The Company has adopted a restricted share award scheme (the "Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to act as an incentive to retain and encourage the participants for the continual operation and development of the Group.

#### **For the year ended 31 March 2022**

#### ***Review of operations***

The Group recorded a consolidated turnover for the year ended 31 March 2022 of approximately HK\$1.3 billion (2021: HK\$892 million), an increase of 42% as compared with the previous year. Profit attributable to owners of the Company was HK\$267 million (2021: HK\$188 million), representing an increase of approximately HK\$79 million. The increase in profit was mainly due to the increase earnings from the core business.

COVID-19 has continued to impact the global supply chain causing disruptions to many companies, logistics and the flow of supplies and products. The Group has taken extra effort (i) to maintain a stable yet agile supply of raw materials in meeting the production requirements, and (ii) to preserve a committed and skilled labour force through reasonable wage increases.

Furthermore, through vertical integration, the Group is able to sustain its cost competitiveness and safeguard the supply of quality raw materials internally. Production facilities have been upgraded and expanded to accommodate the increase in business volume and to provide further agility in meeting the dynamic needs of today's customers.

The Group's concerted effort in its marketing and product development has boosted its success in capturing market share in many of the higher growth product markets, such as industrial control devices, smart home and office appliances, internet protocol phones, medical equipment and medical care devices. The Group has strengthened its product development capabilities across the LCM, TFT and TFT- CTP products. Such product expansion helped the Group in further growing its well-diversified customer portfolio including many world leading brands.

As a result, the Group registered a turnover of HK\$1.3 billion, an increase of 42% over the previous year. Optimized operational efficiency, together with an enhanced sales-mix, with higher modules-related sales, facilitated such improvement in profitability. Gross profit margin improved to a healthy level of 16% against 12% in the previous year.

In the year ended 31 March 2022, other income amounted to approximately HK\$17 million, a decrease by HK\$7 million (2021: HK\$24 million). The drop was mainly due to the reduction of government subsidy in the year ended 31 March 2022, partly offset by the increase in interest income from debt investments.

Net loss of other gains and losses for year increased from HK\$2 million to HK\$6 million. The increase in loss was mainly attributable to the decrease in fair value gain in financial assets at fair value through profit or loss, partly offset by the reduction of exchange loss.

Selling and distribution expenses amounted to approximately HK\$82 million (2021: HK\$71 million). The increase was mainly due to the increase in promotional expenses and staff-related costs.

Administrative expenses amounted to approximately HK\$32 million (2021: HK\$27 million), mainly attributable to the increase in legal and professional fee and staff-related cost.

*Investments in associates**(1) Investment in Nantong Jianghai*

Nantong Jianghai continued to deliver a remarkable financial performance against the headwind of rising manufacturing costs, from the raw materials to electricity. The Group's share of profit from Nantong Jianghai, its 31.07% owned associate as at 31 March 2022, increased from HK\$154 million to HK\$194 million, representing an increase of HK\$40 million or 26%. Nantong Jianghai is the leading provider of capacitors and energy storage in China. Its main products can be categorized into 3 groups: (i) aluminium electrolytic capacitors, (ii) thin film capacitors and (iii) supercapacitors. It has achieved sustainable growth through long term commitment in investing in research and development of new technology in materials, product development and manufacturing processing.

Aluminium electrolytic capacitors continued to deliver an impressive year-on-year sales growth. Industrial-grade capacitors accounted for over 75% of sales and captured a remarkable market share in the large-size aluminium electrolytic capacitors market. Thin film capacitors also registered exciting sales growth, boosted by strong demand in the new energy and electrical vehicle markets. Supercapacitors were also well positioned and offered some of the most exciting potential growth in the smart meter, rail transportation, port infrastructure and power grid markets.

*(2) Investment in Suzhou QingYue*

The Group's share of profit from Suzhou QingYue, its 35.1% owned associate as at 31 March 2022, decreased from HK\$31 million to HK\$18 million in the year ended 31 March 2022.

Suzhou QingYue is one of the global leaders in PMOLED. It posted strong sales growth, driven by the increase in sales of its e-paper modules. PMOLED sales declined slightly year-on-year, against extraordinary sales achieved in the medical equipment, medical and health care product sales in the previous year.

Strong sales momentum on the e-paper modules, well received among retailers, is expected to continue. Micro-OLED has also commenced pilot production in small quantity during the year ended 31 March 2022. Its main applications include the "near-eye" display and the projection display market, augmented reality ("AR") and virtual reality ("VR") markets.

To support with its robust business expansion, Suzhou QingYue has plan to have its shares listed in The Shanghai Stock Exchange and has submitted the relevant application to SSE for approval. The Group firmly believes that the proposed listing plan will bring meaningful returns to the Group in the future.

***Income tax***

Effective tax rate in relation to the Group's core business (income tax expenses excluding withholding tax on undistributed profits in associates as a percentage of profit before income tax excluding share of results of associates) was 13% (2021: 18%).

***Liquidity and financial resources***

As at 31 March 2022, the Group's current ratio was 1.9 (31 March 2021: 2.0). The gearing ratio, as a ratio of bank borrowings to net worth, was 0.5% (31 March 2021: 0.2%).

As at 31 March 2022, the Group had total assets of approximately HK\$2,978 million, which were financed by liabilities of HK\$486 million and total equity of HK\$2,492 million.

As at 31 March 2022, the Group's banking facilities amounted to approximately HK\$160 million (31 March 2021: HK\$189 million) of which approximately HK\$12 million (31 March 2021: HK\$4 million) were utilized mainly for issuance of letters of credit, short term loan and bills payable.

Certain subsidiaries of the Group have foreign currency assets and liabilities, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and has taken appropriate hedging measures against significant foreign currency exposures.

***Contingent liabilities and charges of assets***

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 31 March 2022.

***Employment and remuneration policy***

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other performance reward are based on the financial performance of the Group and the performance of individual staff. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance.

The Company has adopted a restricted share award scheme (the "Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to act as an incentive to retain and encourage the participants for the continual operation and development of the Group.

**For the year ended 31 March 2023***Review of operations*

The Group recorded a consolidated revenue for the year ended 31 March 2023 of approximately HK\$1.33 billion (2022: HK\$1.27 billion), representing an increase of 4.7% as compared with that for the previous financial year. Profit attributable to owners of the Company was HK\$615.1 million (2022: HK\$266.6 million), representing an increase of approximately HK\$348.5 million. The significant increase in profit was mainly due to the strong performance in the capacitor business, a gain on the disposal of certain shares in Nantong Jianghai, and a gain on the deemed disposal of the Group's investments in Suzhou QingYue pursuant to the listing of its shares on the Science and Technology Innovation Board of the Shanghai Stock Exchange in December 2022 (the "Suzhou QingYue Listing"). The increase was partially offset by an allowance for credit loss for debt investments at amortised cost.

With the protracted COVID-19 pandemic, the rising interest rate and inflation in many major economies, unstable political situations such as the Russo-Ukrainian War and the tension between the PRC and the United States of America, the economic environment during the year ended 31 March 2023 was full of challenges. Nevertheless, we still managed to deliver remarkable results for the year ended 31 March 2023 which was attributable to the sound financial position of the Group and the resilience of its team.

Our products can be categorized into such main types as LCD, LCM, TFT and CTP. As we strategically focus on high-growth business segments such as industrial equipment, smart home appliances and telecommunications, and on extending the range of our offerings from the small modules to medium and large-sized display modules, the ongoing migration from pure LCD panels to LCM/TFT and CTP continued during the year ended 31 March 2023. Sales of CTP and TFT increased by 57% and 35% to HK\$320.6 million and HK\$278.9 million, respectively. Sales of LCD and LCM decreased by 23% and 12% to HK\$180.7 million and HK\$545.6 million, respectively. The change in sales-mix was in line with our business development.

To cope with the challenging business environment, we applied strict control over material costs, adopted agile inventory management and improved labour efficiency. As a result, gross profit increased to HK\$223.3 million for the year ended 31 March 2023 from HK\$199.7 million in the previous financial year while gross profit margin increased to around 16.8% from 15.8%.

Other income amounted to approximately HK\$31.9 million (2022: HK\$16.6 million), representing an increase of HK\$15.3 million. The growth was mainly due to the increase in bank interest income, government subsidy and interest income from debt investments.

The Group recorded an allowance for credit loss for debt investments at amortised cost for HK\$56.6 million (2022: HK\$1.3 million) for the year ended 31 March 2023. The Group has invested in notes (the “Greenland Notes”) issued by Greenland Global Investment Limited. During the year ended 31 March 2023, the Issuer announced that the maturity of all the notes issued by the Issuer will be extended by one to two years. As at 31 March 2023, the Group held Greenland Notes to the tune of a total face value of US\$11.6 million, and this is reflected in the consolidated statement of financial position as debt investments at amortised cost at a carrying value of approximately HK\$32.9 million. As at the date of publication of the audited consolidated financial statement for the financial year ended 31 March 2023, all interest payments on the Greenland Notes and partial redemption of principal have been settled when due. It is the intention of the Group to hold the Greenland Notes to maturity. The directors of the Company are monitoring the situation closely and will take necessary actions where appropriate.

Selling and distribution expenses amounted to approximately HK\$98.0 million (2022: HK\$81.9 million). The increase was mainly due to the increase in promotional expenses and staff-related costs.

Administrative expenses amounted to approximately HK\$39.4 million (2022: HK\$32.4 million). The increase was mainly attributable to the increase in legal and professional fees and staff-related costs.

### *Investments in associates*

#### *(1) Investment in Nantong Jianghai*

The Group’s share of profit from Nantong Jianghai, its 29.1%-owned associate as at 31 March 2023, increased by 18.1% to HK\$228.6 million.

Nantong Jianghai reported a significant increase in sales by capitalizing on emerging industries including new energy, electric vehicles and energy storage. Production capacity for both aluminium electrolytic capacitors for new energy and thin film capacitors has expanded remarkably, enabling Nantong Jianghai to capture the prevailing market opportunities. In addition, the expansion in production capacity has resulted in a marked improvement in production efficiency and cost reduction which serves to enhance Nantong Jianghai’s competitive strengths.

Nantong Jianghai’s effort in research and development has also successfully elevated the reliability of its products for new energy inverter and electric vehicle charging station, and upgraded its technical specification for multilayer polymer capacitors and energy-saving production process for aluminium foil. In addition, the uplift of the production yield and efficiency of thin film capacitors have led to an accelerated growth in the photovoltaic, energy storage and high-powered applications. Headway has also been made in developing pin-form super capacitors for applications and back-up solutions for computer servers and electric vehicles.

During the year ended 31 March 2023, the Group divested a total of 14,563,000 shares in Nantong Jianghai for a total consideration of approximately HK\$353.7 million and realised a gain of HK\$241.5 million. The Group started investing in Nantong Jianghai in 2005 and since then the business of Nantong Jianghai has grown substantially. Management believes that realising part of its gain and using the proceeds from the disposal to capture other business opportunities is in the interests of the Company and its shareholders as a whole. After the disposal, the Group remains the largest shareholder of Nantong Jianghai. Nantong Jianghai continues to be an associate of the Group, and the results of Nantong Jianghai continue to be included through equity accounting in the Group's financial statements.

*(2) Investment in Suzhou QingYue*

The Group's share of profit from Suzhou QingYue, its 28.1%-owned associate as at 31 March 2023, amounted to approximately HK\$13.2 million in the year ended 31 March 2023, representing a decrease of 25.4% from approximately HK\$17.7 million in the previous financial year. The reduction in share of profit was due to the one-off listing expenses incurred for the Suzhou QingYue Listing. Had the listing expenses been excluded, the share of profit would be HK\$22.6 million, representing an increase of 27.7%.

Pursuant to the Suzhou QingYue Listing, the Group recorded a gain of HK\$196.8 million on deemed disposal during the year ended 31 March 2023.

During the year ended 31 March 2023, Suzhou QingYue recorded a remarkable increase in sales. This was mainly attributable to the strong growth of the e-paper module business. It is generated by the increasing adoption of electronic price label in the supermarkets and retail chain stores. Moreover, e-paper modules' excellent characteristics of being ultra-thin, light and bendable, and requiring only low power consumption have extended the scope of its applications to other devices such as e-paper display boards, e-paper watches and electronic cards.

The technical advancement in passive mode OLED ("PMOLED") has enabled the application of Suzhou QingYue's products to a wider range of industries such as healthcare, smart home applications, automotive industrial controls, consumer electronics, and security products. Significant progress has also been made in the product development of micro-OLED especially in the near-eye display market and Suzhou QingYue is well-positioned to capture opportunities in the markets for augmented reality and virtual reality.

***Income tax***

Effective tax rate in relation to the Group's core business (income tax expenses excluding the withholding tax on undistributed profits in associates as a percentage of profit before income tax excluding the share of results of associates) was 13% (2022: 13%).

*Liquidity and financial resources*

As at 31 March 2023, the Group's current ratio was 2.3 (2022: 1.9). The gearing ratio, as a ratio of bank borrowings to net worth, was 0.2% (2022: 0.5%). As at 31 March 2023, the Group had total assets of approximately HK\$3,114.1 million, which were financed by liabilities of HK\$455.2 million and total equity of HK\$2,658.9 million. As at 31 March 2023, the Group's banking facilities amounted to approximately HK\$161 million (2022: HK\$160 million) of which approximately HK\$4.3 million (2022: HK\$12.0 million) were utilised mainly in the forms of letters of credit, short term loan and bills payable.

Certain subsidiaries of the Group have assets and liabilities in foreign currencies, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and has taken appropriate hedging measures against significant foreign currency exposures.

*Contingent liabilities and charges of assets*

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 31 March 2023.

*Employment and remuneration policy*

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other rewards are based on the financial performance of the Group and the performance of individual staff. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance. The Company has adopted a restricted share award scheme (the "Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to act as an incentive to retain and encourage the participants for the continuing operation and development of the Group.

**For the six months ended 30 September 2023***Review of operations*

The Group's consolidated revenue for the six months ended 30 September 2023 decreased by approximately 30% year on year to HK\$515 million as compared to that of HK\$735 million for the corresponding period of the previous year ("1H 2022"). Profit attributable to owners of the Company was HK\$113 million (1H 2022: HK\$298 million), representing a year-on-year decrease of approximately HK\$185 million. The significant decrease in profit was mainly due to a higher comparison base in the same period of the previous year when a gain of approximately HK\$148 million on the disposal of certain shares in Nantong Jianghai was recorded.

A post-COVID-19 pandemic recovery in the business sentiment was not as strong as had been expected. Customers remained cautious and adopted the destocking approach in view of high interest rates and intensifying geopolitical tensions. As a result, the Group's revenue declined. Revenue from the sales of LCD decreased to HK\$75 million for the period ended 30 September 2023 from HK\$108 million in the same period of the previous year while that from the sales of LCM decreased to HK\$217 million for the period ended 30 September 2023 from HK\$297 million in the same period of the previous year. Revenue from the sales of TFT dropped to HK\$93 million for the period ended 30 September 2023 from HK\$220 million in the same period of the previous year while that from the sales of CTP increased to HK\$130 million for the period ended 30 September 2023 from HK\$111 million in the same period of the previous year.

Gross profit margin decreased to around 15.1% for the period ended 30 September 2023 from 16.5% in the same period of the previous year because of a decline in the utilisation rate of the production facilities.

Other income amounted to approximately HK\$14 million for the period ended 30 September 2023 (1H 2022: HK\$19 million). The drop was mainly due to the decrease in interest income from debt investments at amortised cost.

The Group recorded an allowance on credit loss for debt investments at amortised cost of HK\$20 million for the period ended 30 September 2023 (1H 2022: HK\$32 million) and loss on derecognition of debt investments at amortised cost of HK\$3 million for the period ended 30 September 2023 (1H 2022: nil). The Group had invested in the Greenland Notes issued by Greenland Global Investment Limited. During the period ended 30 September 2023, at the request of Greenland Global Investment Limited, the bondholders approved to further extend the maturity of all the notes issued by the Issuer by four years. As at 30 September 2023, the Group held the Greenland Notes to the tune of a total face value of approximately US\$11 million and the investment was reflected in the condensed consolidated statement of financial position as a debt investment at amortised cost with a carrying value of approximately HK\$7 million. The directors of the Company are monitoring the situation closely and will take necessary actions where appropriate.

Selling and distribution expenses amounted to approximately HK\$42 million for the period ended 30 September 2023 (1H 2022: HK\$47 million). The decrease was mainly due to the drop in business promotion expenses, transportation expenditure and staff-related costs.

Administrative expenses amounted to approximately HK\$14 million for the period ended 30 September 2023 (1H 2022: HK\$21 million) which was mainly attributable to the decrease in legal and professional fees and staff-related costs.

### ***Investments in associates***

#### ***(1) Investment in Nantong Jianghai***

The Group's share of profit from Nantong Jianghai, its 29.0%-owned associate as at 30 September 2023, was HK\$128 million, which was similar to 1H 2022. Although the electronic components industry experienced a downturn for the period ended 30 September 2023, Nantong Jianghai's business continued to grow steadily on the back of its wide product variety and strong customer base.

Particularly, Nantong Jianghai enhanced its position in the major markets for the applications of its products in areas such as energy storage, electric vehicles, big data, and smart manufacturing. During the period ended 30 September 2023, it continued its effort in adopting energy-conservation initiatives, conducting research and develop on new technologies, as well as enhancing cost effectiveness in production. All these measures enabled Nantong Jianghai to maintain its competitive advantage in the global market of aluminium electrolytic capacitors. During the period ended 30 September 2023, Nantong Jianghai has also achieved breakthroughs in the development of multi-layer polymer capacitors ("MLPC"), a critical peripheral component in central processing unit and graphic processing unit, in terms of technological efficiency. Thin film capacitor business continued to deliver impressive growth amid a stronger foothold in the new energy and automotive industries. In the development of supercapacitors, Nantong Jianghai focuses on solidifying the business foundation, nurturing core technologies, and fostering the strengths and specialisation.

(2) *Investment in Suzhou QingYue*

The Group's share of the loss from Suzhou QingYue, its 28.1%-owned associate as at 30 September 2023, amounted to approximately HK\$17 million during the period ended 30 September 2023, in contrast to the share of the profit of HK\$13 million in 1H 2022. Factors such as global economic downturn, geopolitical tensions, and the oversaturation of the consumer electronics market led to unprecedented cyclical fluctuations in demand for various end-use applications. Both PMOLED and e-paper businesses were adversely affected. On the other hand, sales of micro-OLED in the near-eye display market were gaining momentum while augmented reality and virtual reality are the key target markets in the future.

***Income tax***

Effective tax rate in relation to the Group's core business (income tax expenses excluding the withholding tax on undistributed profits at the associates as a percentage of the profit before income tax excluding share of the results of associates, loss on derecognition of debt investments at amortised cost and allowance on credit loss for debt investments at amortised cost) was 12% (1H 2022: 14%).

***Liquidity and financial resources***

As at 30 September 2023, the Group's current ratio was 1.7 (31 March 2023: 2.3). The gearing ratio, as a ratio of bank borrowings to net worth, was 0.2% (31 March 2023: 0.2%). As at 30 September 2023, the Group had total assets of approximately HK\$2,937 million, which were financed by liabilities of HK\$489 million and total equity of HK\$2,448 million. As at 30 September 2023, the Group's banking facilities amounted to approximately HK\$186 million (31 March 2023: HK\$161 million), of which approximately HK\$4 million (31 March 2023: HK\$4 million) were utilised mainly for the issuance of letters of credit, short-term loans and bills payable.

Certain subsidiaries of the Group have assets and liabilities in foreign currencies, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and has taken appropriate hedging measures against significant foreign currency exposures.

***Contingent liabilities and charges of assets***

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 30 September 2023.

***Employment and remuneration policy***

The remuneration package for the Group's employees is structured with reference to market terms and industry's practices. Discretionary bonus and other performance reward are based on the financial performance of the Group and the performance of individual staff members. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance. The Company has adopted a restricted share award scheme (the "Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to serve as an incentive to retain the participants and encourage them to contribute to the continued operation and development of the Group.

Set out below are the financial information of the Target Company which comprises (i) audited consolidated statements of financial position of the Target Company as at 31 December 2020, 2021 and 2022, and audited consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Target Group for each of the years ended 31 December 2020, 2021 and 2022, which were extracted from the annual reports of Target Company for the years ended 31 December 2020, 2021 and 2022, respectively; and (ii) unaudited consolidated statements of financial position of the Target Company as at 30 September 2023, unaudited consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity statement of cash flows of the Target Group for the nine months ended 30 September 2023 which were extracted from the unaudited quarterly report of Target Company for the nine months ended 30 September 2023.

In the opinions of the independent auditor of Target Company as stated in the respective annual reports of Target Company, the consolidated financial statements for each of the years ended 31 December 2020, 2021 and 2022 give a true and fair view of the consolidated financial positions of the Target Group as at 31 December 2020, 2021 and 2022, and its consolidated financial performances and consolidated cash flows for each of the years then ended.

All such financial information of the Target Company has been published on the websites of Shenzhen Stock Exchange (<https://www.szse.cn>) and the Target Company (<https://www.jianghai.com>).

links to the relevant full set financial statements of the Target Company:

- the year ended 31 December 2020  
<https://www.szse.cn/disclosure/listed/bulletinDetail/index.html?97c6585d-f5ae-4cc3-b7d7-1ad6bb0046cd>
- the year ended 31 December 2021  
<https://www.szse.cn/disclosure/listed/bulletinDetail/index.html?06fc53d8-9946-4a84-9155-624c357ff1be>
- the year ended 31 December 2022  
<https://www.szse.cn/disclosure/listed/bulletinDetail/index.html?1d36803b-83b9-472f-accc-cfa8115da9f3>
- the nine months ended 30 September 2023  
<https://www.szse.cn/disclosure/listed/bulletinDetail/index.html?29067e0f-defd-40a3-8080-8e02d79a2e0a>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

Item	For the year ended 31 December			For the nine months ended 30 September
	2020	2021	2022	2023
	RMB	RMB	RMB	RMB
<b>I. Total operating revenue</b>	2,635,045,312.40	3,549,683,268.85	4,521,681,374.62	3,778,196,816.39
Including: Operating revenue	2,635,045,312.40	3,549,683,268.85	4,521,681,374.62	3,778,196,816.39
Interest income	–	–	–	–
Premium earned	–	–	–	–
Handling fees and commission income	–	–	–	–
<b>II. Total operating cost</b>	2,302,487,651.20	3,079,418,364.36	3,760,102,367.77	3,162,418,412.70
Including: Operating cost	1,900,672,852.81	2,629,257,329.04	3,329,268,481.97	2,790,989,304.82
Interest expenses	–	–	–	–
Handling fees and commission expenses	–	–	–	–
Surrender value	–	–	–	–
Net payment of insurance claims	–	–	–	–
Net provision of insurance liability contract reserve	–	–	–	–
Premium bonus expenses	–	–	–	–
Reinsurance expenses	–	–	–	–
Taxes and surcharges	16,498,919.15	19,686,863.53	23,628,677.09	21,760,757.43
Selling expenses	55,146,604.05	73,346,902.23	78,106,022.05	63,589,111.56
Administrative expenses	149,699,638.30	152,838,310.82	144,828,991.60	119,495,034.60
R&D expenses	154,435,984.22	196,989,942.63	218,945,894.40	184,484,142.07
Financial expenses	26,033,652.67	7,299,016.11	–34,675,699.34	–17,899,937.78
Including: Interest expenses	6,317,767.01	7,576,267.54	10,231,730.24	7,267,572.59
Interest income	5,197,578.34	5,860,732.28	6,466,307.91	7,259,181.16
Add: Other revenue	24,017,188.68	26,078,557.21	24,948,427.02	20,835,016.11
Investment income (loss is represented by “–”)	6,466,762.10	14,949,869.32	6,963,234.16	4,342,463.95
Including: Investment income from associates and joint ventures	2,618,352.86	6,686,271.26	–613,388.97	–1,928,136.06

Item	For the year ended 31 December			For the nine months ended 30 September
	2020	2021	2022	2023
	RMB	RMB	RMB	RMB
Gains from derecognition of financial assets measured at amortized cost	-	-	-	-
Gains from foreign exchange (loss is represented by “-”)	-	-	-	-
Gains from net exposure to hedging (loss is represented by “-”)	-	-	-	-
Gain on changes in fair value (loss is represented by “-”)	13,707,925.72	1,048,213.32	87,249.85	10,848.27
Impairment loss of credit (loss is represented by “-”)	2,085,824.00	-5,493,256.06	-11,471,558.57	-4,082,310.91
Impairment loss of assets (loss is represented by “-”)	-951,009.86	-5,783,009.84	-30,135,248.85	-769,402.01
Gains from disposal of assets (loss is represented by “-”)	-461,587.70	-523,374.70	750,500.32	-206,957.14
<b>III. Operating profit (loss is represented by “-”)</b>	<b>377,422,764.14</b>	<b>500,541,903.74</b>	<b>752,721,610.78</b>	<b>635,908,061.96</b>
Add: Non-operating revenue	55,881,569.47	5,997,414.09	1,731,726.52	684,655.22
Less: Non-operating expenses	6,959,172.90	5,627,133.53	4,775,593.99	1,670,306.41
<b>IV. Total profit (total loss is represented by “-”)</b>	<b>426,345,160.71</b>	<b>500,912,184.30</b>	<b>749,677,743.31</b>	<b>634,922,410.77</b>
Less: Income tax expense	43,282,612.53	62,536,964.78	87,208,374.71	86,149,759.32
<b>V. Net profit (net loss is represented by “-”)</b>	<b>383,062,548.18</b>	<b>438,375,219.52</b>	<b>662,469,368.60</b>	<b>548,772,651.45</b>
(I) Classified by continuity of operations				
1. Net profit from continuing operations (net loss is represented by “-”)	383,062,548.18	438,375,219.52	662,469,368.60	548,772,651.45
2. Net profit from discontinued operations (net loss is represented by “-”)	-	-	-	-

Item	For the year ended 31 December			For the nine months ended 30 September
	2020	2021	2022	2023
	RMB	RMB	RMB	RMB
(II) Classified by ownership				
1. Net profit attributable to shareholders of the parent company	372,810,676.22	434,923,029.42	661,242,022.68	547,543,781.91
2. Profit or loss attributable to non-controlling interests	10,251,871.96	3,452,190.10	1,227,345.92	1,228,869.54
<b>VI. Net other comprehensive income after tax</b>	9,839,971.80	-1,181,057.24	-40,670,234.78	-11,651,827.03
Net other comprehensive income after tax attributable to owners of the parent company	9,839,971.80	-1,181,057.24	-40,670,234.78	-11,651,827.03
(I) Other comprehensive income not reclassified to profit or loss	12,614,818.59	14,895,516.39	-38,094,254.26	-2,002,580.40
1. Changes arising on remeasurement of defined benefit plans	110,727.38	1,132,462.09	-426,077.16	-
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss	-	-	-	-
3. Changes in fair value of investments in other equity instruments	12,504,091.21	13,763,054.30	-37,668,177.10	-2,002,580.40
4. Changes in fair value of own credit risk of the company	-	-	-	-
5. Others	-	-	-	-
(II) Other comprehensive income to be reclassified to profit or loss	-2,774,846.79	-16,076,573.63	-2,575,980.52	-9,649,246.63

Item	For the year ended 31 December			For the nine months ended 30 September
	2020	2021	2022	2023
	RMB	RMB	RMB	RMB
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss	-	-	-	-
2. Changes in fair value of other debt investments	-	-	-	-
3. Amount of financial assets reclassified into other comprehensive income	-	-	-	-
4. Provisions for credit impairment of other debt investments	-	-	-	-
5. Reserve for cash flow hedging	-	-	-	-
6. Exchange differences on translation of financial statements in foreign currency	-2,774,846.79	-16,076,573.63	-2,575,980.52	-9,649,246.63
7. Others	-	-	-	-
Net other comprehensive income after tax attributable to non-controlling interest	-	-	-	-
<b>VII. Total comprehensive income</b>	392,902,519.98	437,194,162.28	621,799,133.82	537,120,824.42
Total comprehensive income attributable to owners of the parent company	382,650,648.02	433,741,972.18	620,571,787.90	535,891,954.88
Total comprehensive income attributable to non-controlling interests	10,251,871.96	3,452,190.10	1,227,345.92	1,228,869.54
<b>VIII. Earnings per share</b>				
(I) Basic earnings per share	0.4556	0.53	0.79	0.6502
(II) Diluted earnings per share	0.4474	0.52	0.79	0.6474

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Item	As at 31 December			As at
	2020	2021	2022	30 September
	RMB	RMB	RMB	RMB
<b>Current assets:</b>				
Monetary capital	758,420,945.94	701,338,609.10	775,537,979.32	845,315,149.52
Clearing settlement funds	–	–	–	–
Loans to other bank	–	–	–	–
Financial assets held for trading	134,810,000.00	63,010,498.93	40,043,316.31	68,209,318.67
Derivative financial asset	–	–	–	–
Notes receivable	212,031,096.55	238,864,014.83	224,905,525.20	318,617,731.76
Account receivable	941,022,744.19	1,067,333,546.72	1,516,637,896.33	1,604,064,319.02
Receivables financing	–	–	–	–
Prepayments	23,926,083.45	36,149,736.90	34,551,140.85	65,511,500.64
Premiums receivable	–	–	–	–
Reinsurance accounts receivable	–	–	–	–
Reinsurance contract reserve receivable	–	–	–	–
Other receivables	23,384,064.79	51,404,203.94	59,123,031.25	35,952,954.08
Including: Interests receivable	1,407,342.47	530,803.66	–	–
Dividends receivable	–	–	–	–
Financial assets held under resale agreements	–	–	–	–
Inventories	683,728,820.84	852,572,004.00	1,153,356,779.88	1,120,845,224.45
Contract assets	–	–	–	–
Assets held for sale	–	–	–	–
Non-current assets due within one year	–	–	–	–
Other current assets	319,493,716.48	255,266,645.68	233,294,621.79	213,812,507.08
Total current assets	3,096,817,472.24	3,265,939,260.10	4,037,450,290.93	4,272,328,705.22
<b>Non-current assets:</b>				
Loans and advances	–	–	–	–
Debt investments	–	–	–	–
Other debt investments	–	–	–	–
Long-term receivables	–	–	–	–
Long-term equity investments	121,826,483.42	127,914,164.18	128,666,952.99	141,438,813.28
Other equity instrument investments	85,272,819.85	106,438,996.27	62,159,751.81	70,683,174.74
Other non-current financial assets	–	–	–	–
Investment properties	29,413,633.89	26,762,821.04	26,513,101.44	36,699,330.56
Fixed assets	1,311,610,817.08	1,383,256,600.94	1,730,964,325.36	1,827,559,394.86
Construction in progress	65,180,157.07	122,904,131.96	63,932,171.35	154,676,550.34
Productive biological assets	–	–	–	–
Oil and gas assets	–	–	–	–
Right-of-use assets	–	10,378,500.00	9,124,500.00	8,184,000.00

Item	As at 31 December			As at
	2020	2021	2022	30 September
	RMB	RMB	RMB	2023
				RMB
Intangible assets	100,744,698.17	97,642,313.09	152,333,949.79	149,371,415.94
Development expenses	–	–	–	–
Goodwill	145,776,991.95	145,776,991.95	130,636,249.46	130,636,249.46
Long-term deferred expenses	–	3,480,205.65	3,580,993.67	2,084,720.74
Deferred income tax assets	22,188,386.48	19,073,286.91	31,417,799.37	30,717,105.61
Other non-current assets	185,492,927.07	263,199,970.56	231,674,233.66	261,797,533.58
Total non-current assets	2,067,506,914.98	2,306,827,982.55	2,571,004,028.90	2,813,848,289.11
<b>Total assets</b>	<b>5,164,324,387.22</b>	<b>5,572,767,242.65</b>	<b>6,608,454,319.83</b>	<b>7,086,176,994.33</b>
<b>Current liabilities:</b>				
Short-term borrowings	189,479,441.86	201,495,920.61	171,142,647.92	208,838,504.00
Borrowing from central bank	–	–	–	–
Loans from other banks	–	–	–	–
Financial liabilities held for trading	–	–	–	–
Derivative financial liabilities	–	–	–	–
Bills payable	187,472,802.44	146,224,634.39	250,272,043.61	235,226,107.50
Accounts payable	564,240,533.34	665,651,504.24	910,884,891.00	885,789,457.20
Advances received	–	–	–	–
Contract liabilities	4,119,465.51	4,578,648.99	6,477,807.60	6,677,909.35
Proceeds from sale of repurchase financial assets	–	–	–	–
Deposits from clients and placements from other banks	–	–	–	–
Deposit for agency security transaction	–	–	–	–
Deposit for agency security underwriting	–	–	–	–
Staff remuneration payables	24,771,461.49	28,762,765.09	36,968,228.19	43,049,542.08
Taxes payable	27,275,110.14	23,917,702.99	33,742,164.27	44,918,443.02
Other payables	85,561,056.25	12,170,338.67	22,664,552.66	19,174,091.00
Including: Interests payable	–	–	–	–
Dividends payable	–	–	–	–
Handling fees and commission payable	–	–	–	–
Reinsurance accounts payable	–	–	–	–
Liabilities held for sale	–	–	–	–
Non-current liabilities due within one year	–	–	20,131,573.06	20,147,055.17
Other current liabilities	477,498.98	10,993,529.55	9,957,610.12	9,555,978.34
<b>Total current liabilities:</b>	<b>1,083,397,370.01</b>	<b>1,093,795,044.53</b>	<b>1,462,241,518.43</b>	<b>1,473,377,087.66</b>

Item	As at 31 December			As at
	2020	2021	2022	30 September
	RMB	RMB	RMB	2023
				RMB
Non-current liabilities:				
Provision for insurance contracts	–	–	–	–
Long-term borrowings	18,970,800.00	22,166,000.00	113,604,790.72	145,876,859.04
Bonds payable	–	–	–	–
Including: Preference shares	–	–	–	–
Perpetual bonds	–	–	–	–
Lease liabilities	–	11,709,058.65	10,304,841.17	9,752,849.30
Long-term payables	12,389,110.80	–	–	–
Long-term staff remuneration payables	24,614,455.23	17,565,643.15	17,840,111.82	17,691,328.02
Accrued liabilities	4,334,632.91	3,880,648.22	3,745,330.42	3,517,899.04
Deferred income	26,275,806.67	23,076,209.83	19,876,612.99	17,476,915.36
Deferred income tax liabilities	28,034,370.56	21,001,044.58	16,470,278.23	11,846,028.89
Other non-current liabilities	21,018,000.00	44,480,000.00	50,500,000.00	48,000,000.00
Total non-current liabilities	135,637,176.17	143,878,604.43	232,341,965.35	254,161,879.65
<b>Total liabilities</b>	<b>1,219,034,546.18</b>	<b>1,237,673,648.96</b>	<b>1,694,583,483.78</b>	<b>1,727,538,967.31</b>
<b>Owners' equity:</b>				
Share capital	821,407,419.00	830,420,936.00	838,861,741.00	845,286,241.00
Other equity instruments	–	–	–	–
Including: Preference shares	–	–	–	–
Perpetual bonds	–	–	–	–
Capital reserve	1,503,598,426.51	1,561,018,931.90	1,620,382,237.84	1,647,919,328.04
Less: Treasury shares	–	–	–	–
Other comprehensive income	5,364,124.86	4,183,067.62	–36,487,167.16	–48,138,994.19
Special reserve	–	–	–	–
Surplus reserve	260,078,336.33	302,246,392.89	368,622,888.03	368,622,888.03
General risk reserve	–	–	–	–
Undistributed profit	1,308,897,189.99	1,602,798,586.97	2,097,407,601.59	2,518,636,159.85
Total equity attributable to the owners of the parent company	3,899,345,496.69	4,300,667,915.38	4,888,787,301.30	5,332,325,622.73
Non-controlling interest	45,944,344.35	34,425,678.31	25,083,534.75	26,312,404.29
<b>Total owners' equity</b>	<b>3,945,289,841.04</b>	<b>4,335,093,593.69</b>	<b>4,913,870,836.05</b>	<b>5,358,638,027.02</b>
<b>Total liabilities and owners' equity</b>	<b>5,164,324,387.22</b>	<b>5,572,767,242.65</b>	<b>6,608,454,319.83</b>	<b>7,086,176,994.33</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Items	2020											Total owners' equity					
	Equity attributable to the owners of the parent company																
	Share capital	Preference shares	Other equity instruments	Less:	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Sub-total		Non-controlling interest				
I. Balance at the end of previous year	817,114,541.00	-	-	-	1,354,555,394.56	-	-	4,475,846.94	-	225,009,698.70	-	1,036,611,769.48	-	-	3,428,815,556.80	168,057,018.39	3,596,872,575.19
Add: Changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior-period error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Merger of enterprises under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the current year	817,114,541.00	-	-	-	1,354,555,394.56	-	-	4,475,846.94	-	225,009,698.70	-	1,036,611,769.48	-	-	3,428,815,556.80	168,057,018.39	3,596,872,575.19
III. Amount of increase/decrease/change in the current year (decrease is represented by "-")	4,292,878.00	-	-	-	149,043,031.95	-	-	9,839,971.80	-	35,068,637.63	-	272,285,420.51	-	-	470,529,939.89	-122,112,674.04	348,417,265.85
(I) Total comprehensive income	-	-	-	-	-	-	-	9,839,971.80	-	-	-	372,810,676.22	-	-	382,650,648.02	10,251,871.96	392,902,519.98
(II) Contribution and reduction of capital by owners	4,292,878.00	-	-	-	147,874,448.66	-	-	-	-	-	-	-	-	-	152,167,326.66	-130,045,820.20	22,121,506.46

Items	Equity attributable to the owners of the parent company											Total owners' equity			
	Other equity instruments				Less:			General							
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	risk reserve	Undistributed profit		Others	Sub-total	Non-controlling interest
								(RMB)							
1. Ordinary shares contributed by owners	4,292,878.00	-	-	-	19,405,405.80	-	-	-	-	-	-	-	23,698,283.80	-130,045,820.20	-106,347,536.40
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Amount included in owners' equity in share payment	-	-	-	-	7,540,827.04	-	-	-	-	-	-	-	7,540,827.04	-	7,540,827.04
4. Others	-	-	-	-	120,928,215.82	-	-	-	-	-	-	-	120,928,215.82	-142,152,650.51	-21,224,434.69
(III) Profit distribution	-	-	-	-	-	-	-	-	35,068,637.63	-100,525,255.71	-	-	-65,456,618.08	-2,400,000.00	-67,856,618.08
1. Withdrawal of surplus reserves	-	-	-	-	-	-	-	-	35,068,637.63	-35,068,637.63	-	-	-	-	-
2. Withdrawal of general risk reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distributions to owners (or shareholders)	-	-	-	-	-	-	-	-	-	-	-	-	-65,456,618.08	-2,400,000.00	-67,856,618.08
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Carry-forward of owners' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Conversion of capital reserves to increase capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Items	2020											Total owners' equity				
	Equity attributable to the owners of the parent company															
	Other equity instruments		Less:		Other comprehensive income				General risk reserve		Undistributed profit	Others	Sub-total	Non-controlling interest		
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve						
2. Conversion of surplus reserves to increase capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Making up of losses by surplus reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Carry-forward of retained earnings from changes in defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Carry-forward of retained earnings from other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Current withdrawal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Current use	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	1,168,583.29	-	-	-	-	-	-	-	-	81,274.20	1,168,583.29	1,249,857.49
IV. Balance at the end of the current period	821,407,419.00	-	-	-	1,503,598,426.51	-	5,364,124.86	-	260,078,336.33	-	1,308,897,189.99	-	-	45,944,344.35	3,945,289,841.04	

Items	Equity attributable to the owners of the parent company											Total owners' equity			
	Other equity instruments			Less:		General			Noncontrolling						
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	risk reserve	Undistributed profit	Others	Sub-total	interest	
I. Balance at the end of previous year	821,407,419.00	-	-	-	1,503,598,426.51	-	5,364,124.86	-	260,078,336.33	-	1,308,897,189.99	-	3,899,345,496.69	45,944,344.35	3,945,289,841.04
Add: Changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior-period error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Merger of enterprises under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the current year	821,407,419.00	-	-	-	1,503,598,426.51	-	5,364,124.86	-	260,078,336.33	-	1,308,897,189.99	-	3,899,345,496.69	45,944,344.35	3,945,289,841.04
III. Amount of increase/decrease/change in the current year (decrease is represented by "-")	9,013,517.00	-	-	-	57,420,505.39	-	-1,181,057.24	-	42,168,056.56	-	293,901,396.98	-	401,322,418.69	-11,518,666.04	389,803,732.65
(I) Total comprehensive income	-	-	-	-	-	-	-1,181,057.24	-	-	-	434,923,029.42	-	433,741,972.18	3,452,190.10	437,194,162.28
(II) Contribution and reduction of capital by owners	9,013,517.00	-	-	-	57,420,505.39	-	-	-	-	-	-	-	66,434,022.39	-12,270,856.14	54,163,166.25
1. Ordinary shares contributed by owners	9,013,517.00	-	-	-	39,763,890.06	-	-	-	-	-	-	-	48,777,407.06	2,000,000.00	50,777,407.06
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Items	2021														
	Other equity instruments					Equity attributable to the owners of the parent company						Total owners' equity			
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Less: Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit		Others	Sub-total	Noncontrolling interest
4. Carry-forward of retained earnings from changes in defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Carry-forward of retained earnings from other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Current withdrawal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Current use	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the current period	830,420,936.00	-	-	-	1,561,018,931.90	-	4,183,067.62	-	302,246,392.89	-	1,602,798,586.97	-	4,300,667,915.38	34,425,678.31	4,335,093,593.69

Items	Equity attributable to the owners of the parent company											Total owners' equity		
	Other equity instruments			Less:		Other comprehensive income			General risk reserve					
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Other income	Special reserve	Surplus reserve	Undistributed profit	Others	Sub-total	Noncontrolling interest	
I. Balance at the end of previous year	830,420,936.00	-	-	-	1,561,018,931.90	-	4,183,067.62	-	302,246,392.89	1,602,798,586.97	-	4,300,667,915.38	34,425,678.31	4,335,093,593.69
Add: Changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior-period error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Merger of enterprises under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the current year	830,420,936.00	-	-	-	1,561,018,931.90	-	4,183,067.62	-	302,246,392.89	1,602,798,586.97	-	4,300,667,915.38	34,425,678.31	4,335,093,593.69
III. Amount of increase/decrease/change in the current year (decrease is represented by "-")	8,440,805.00	-	-	-	59,363,305.94	-	-40,670,234.78	-	66,376,495.14	494,609,014.62	-	588,119,385.92	-9,342,143.56	578,777,242.36
(I) Total comprehensive income	-	-	-	-	-	-	-40,670,234.78	-	-	661,242,022.68	-	620,571,787.90	1,227,345.92	621,799,133.82
(II) Contribution and reduction of capital by owners	8,440,805.00	-	-	-	59,363,305.94	-	-	-	-	-	-	67,804,110.94	-10,569,489.48	57,234,621.46
1. Ordinary shares contributed by owners	8,440,805.00	-	-	-	36,563,829.90	-	-	-	-	-	-	45,004,634.90	2,000,000.00	47,004,634.90
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Items	Equity attributable to the owners of the parent company											Total owners' equity			
	Other equity instruments					Less:			General						
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	risk reserve	Undistributed profit		Others	Sub-total	Noncontrolling interest
3. Amount included in owners' equity in share payment	-	-	-	-	22,336,816.87	-	-	-	-	-	-	-	22,336,816.87	-	22,336,816.87
4. Others	-	-	-	-	462,659.17	-	-	-	-	-	-	-	462,659.17	-12,569,489.48	-12,106,830.31
(III) Profit distribution	-	-	-	-	-	-	-	-	66,376,495.14	-	-166,633,008.06	-	-100,256,512.92	-	-100,256,512.92
1. Withdrawal of surplus reserves	-	-	-	-	-	-	-	-	66,376,495.14	-	-66,376,495.14	-	-	-	-
2. Withdrawal of general risk reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distributions to owners (or shareholders)	-	-	-	-	-	-	-	-	-	-	-100,256,512.92	-	-100,256,512.92	-	-100,256,512.92
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Carry-forward of owners' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Conversion of capital reserves to increase capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Conversion of surplus reserves to increase capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Making up of losses by surplus reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Items	Equity attributable to the owners of the parent company														
	Other equity instruments			Less:			Other comprehensive income					Total owners' equity			
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit		Others	Sub-total	Noncontrolling interest
4. Carry-forward of retained earnings from changes in defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Carry-forward of retained earnings from other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Current withdrawal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Current use	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the current period	838,861,741.00	-	-	-	1,620,382,237.84	-	(36,487,167.16)	-	368,622,888.03	-	2,097,407,601.59	-	4,888,787,301.30	25,083,534.75	4,913,870,836.05

## CONSOLIDATED STATEMENT OF CASH FLOWS

Item	For the year ended 31 December			For nine months ended
	2020	2021	2022	30 September
	RMB	RMB	RMB	2023 RMB
<b>I. Cash flows from operating activities:</b>				
Cash received from sales of goods and provision of services	1,828,508,627.32	2,400,530,929.36	2,922,667,681.04	2,376,777,949.64
Net increase in deposits from clients and placements from other banks	–	–	–	–
Net increase in borrowings from central bank	–	–	–	–
Net increase in loans from other financial institutions	–	–	–	–
Cash received from premiums of original insurance contracts	–	–	–	–
Net cash received from reinsurance business	–	–	–	–
Net increase in deposits from policyholders and investments	–	–	–	–
Cash received from interest, handling fees and commissions	–	–	–	–
Net increase in loans from other banks	–	–	–	–
Net increase in repurchases business fund	–	–	–	–
Net cash received from agency security transaction	–	–	–	–
Receipt of tax rebates	51,535,509.50	52,906,839.64	102,665,149.19	68,326,025.84
Other cash received relating to operating activities	52,619,413.49	61,127,350.02	52,043,982.44	28,457,117.66
Sub-total of cash inflow from operating activities	1,932,663,550.31	2,514,565,119.02	3,077,376,812.67	2,473,561,093.14
Cash paid for goods purchased and services rendered	1,048,021,748.49	1,416,427,089.99	1,827,653,710.19	1,310,402,827.39
Net increase in loans and advances to customers	–	–	–	–
Net increase in placements with central bank and other banks	–	–	–	–

Item	For the year ended 31 December			For nine months ended
	2020	2021	2022	30 September
	RMB	RMB	RMB	RMB
Cash paid for claims on original insurance contracts	-	-	-	-
Net increase in loans to other banks	-	-	-	-
Cash payment for interest, handling fees and commissions	-	-	-	-
Cash payment for premium bonus	-	-	-	-
Cash paid to and on behalf of staff	334,620,207.15	436,030,340.54	470,605,612.91	356,755,593.96
Taxes paid	99,434,708.61	129,457,799.94	142,371,292.90	172,806,229.76
Other cash paid relating to operating activities	164,452,617.44	221,824,587.39	219,570,696.34	209,875,079.26
Sub-total of cash outflow from operating activities	1,646,529,281.69	2,203,739,817.86	2,660,201,312.34	2,049,839,730.37
Net cash flows generated from operating activities	286,134,268.62	310,825,301.16	417,175,500.33	423,721,362.77
<b>II. Cash flows generated from investment activities:</b>				
Cash received from disposal of investments	1,948,509,859.35	673,738,607.68	233,558,048.93	89,513,236.63
Cash received from gains in investments	19,332,749.31	10,385,581.22	10,042,656.99	5,299,025.81
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,418,904.43	1,279,272.90	1,673,401.87	734,835.82
Net cash received from disposal of subsidiaries and other operating entities	-	-	-	-
Other cash received relating to investment activities	12,604,793.64	-	-	-
<b>Sub-total of cash inflow from investment activities</b>	<b>1,981,866,306.73</b>	<b>685,403,461.80</b>	<b>245,274,107.79</b>	<b>95,547,098.26</b>
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	210,322,089.15	373,905,392.32	461,185,703.07	315,389,395.50
Cash paid for investment	1,773,446,300.00	527,508,372.68	213,660,042.64	105,880,846.83
Net increase in pledged loans	-	-	-	-
Net cash paid for acquiring subsidiaries and other operating entities	-	-	-	-

Item	For the year ended 31 December			For nine months ended
	2020	2021	2022	30 September
	RMB	RMB	RMB	RMB
Other cash paid relating to investment activities	-	-	-	-
<b>Sub-total of cash outflow from investment activities</b>	1,983,768,389.15	901,413,765.00	674,845,745.71	421,270,242.33
<b>Net cash flows generated from investment activities</b>	-1,902,082.42	-216,010,303.20	-429,571,637.92	-325,723,144.07
<b>III. Cash flows from financing activities:</b>				
Proceeds received from investments	30,809,013.11	38,517,878.96	56,848,914.40	48,245,730.50
Including: Proceeds received by subsidiaries from minority interests' investment	12,106,830.31	2,000,000.00	2,000,000.00	-
Cash received from borrowings	207,525,082.61	213,159,728.38	386,655,950.00	160,019,404.00
Other cash received relating to financing activities	6,000,000.00	-	-	-
<b>Sub-total of cash inflow from financing activities</b>	244,334,095.72	251,677,607.34	443,504,864.40	208,265,134.50
Cash paid for repayment of debts	160,000,000.00	197,986,747.49	301,715,393.23	86,766,285.00
Cash payments for dividend and profit distribution or interest repayment	72,810,001.24	109,681,303.06	108,717,645.70	133,370,953.92
Including: Dividend and profit paid by subsidiaries to minority interests	2,400,000.00	2,700,000.00	-	-
Other cash paid relating to financing activities	56,423,873.40	61,939,504.00	1,118,700.00	13,256,625.92
<b>Sub-total of cash outflow from financing activities</b>	289,233,874.64	369,607,554.55	411,551,738.93	233,393,864.84
<b>Net cash flows generated from financing activities</b>	-44,899,778.92	-117,929,947.21	31,953,125.47	-25,128,730.34
<b>IV. Effect on cash and cash equivalents due to changes in foreign exchange rates</b>	-28,435,231.80	-16,880,040.26	35,442,454.16	8,660,938.50
<b>V. Net increase in cash and cash equivalents</b>	210,897,175.48	-39,994,989.51	54,999,442.04	81,530,426.86
Add: Balance of cash and cash equivalents at the beginning of the period	478,320,934.89	689,218,110.37	649,223,120.86	704,222,562.90
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	689,218,110.37	649,223,120.86	704,222,562.90	785,752,989.76

**1. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP UPON COMPLETION****(I) Basis of preparation**

In connection with the Disposal, the unaudited pro forma financial information of the Group upon completion (the “Remaining Group”) has been prepared by the Directors in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and solely for the purpose to illustrate the effect of the Disposal on the Remaining Group’s financial position as at 30 September 2023 as if the Disposal had taken place on 30 September 2023; and on the Remaining Group’s financial performance and cash flows for the year ended 31 March 2023 as if the Disposal had taken place on 1 April 2022.

The unaudited pro forma consolidated statement of financial position as at 30 September 2023 and the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and unaudited pro forma consolidated statement of cash flows for the year ended 31 March 2023 (hereinafter collectively referred to as “Unaudited Pro Forma Financial Information”) of the Remaining Group are prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2023 and the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the year ended 31 March 2023 as extracted from the interim report of the Company for the six months ended 30 September 2023 and the annual report of the Company for the year ended 31 March 2023 as appropriate.

The Unaudited Pro Forma Financial Information is prepared based on the aforesaid historical data after giving effect to the pro forma adjustments described in the accompanying notes. Narrative description of the pro forma adjustments of the Disposal that are (i) directly attributable to the Disposal and (ii) factually supportable is summarised in the accompanying notes.

The Unaudited Pro Forma Financial Information has been prepared based on certain assumptions, estimates and uncertainties for illustrative purposes only and because of its hypothetical nature, the Unaudited Pro Forma Financial Information may not purport to predict what the financial position of the Remaining Group would have been if the Disposal had taken place on 30 September 2023 or at any future dates, or what the financial performance and cash flows of the Remaining Group for the year ended 31 March 2023 or for any future periods would have been as if the Disposal had taken place on 1 April 2022. The Unaudited Pro Forma Financial Information should be read in conjunction with, among others, the financial information of the Group and unaudited financial information of the Target Company as set out in Appendix I and Appendix II to this circular and other financial information included elsewhere in this circular

**(II) Unaudited Pro Forma Financial Information***Unaudited pro forma consolidated statement of financial position*

	<b>The Group as at 30 September 2023 HK\$'000 (Unaudited) (Note 1)</b>	<b>The Group Pro forma adjustments HK\$'000 (Note 2)</b>	<b>The Remaining Group as at 30 September 2023 HK\$'000 (Unaudited)</b>
<b>Non-current assets</b>			
Property, plant and equipment	187,494	–	187,494
Right-of-use assets	14,132	–	14,132
Investment properties	674	–	674
Interests in associates	1,978,317	(1,602,940)	375,377
Debt investments at amortised cost	6,940	–	6,940
Intangible assets	1,459	–	1,459
Other receivables and prepayment	4,732	–	4,732
Financial assets at fair value through profit or loss (“FVTPL”)	107,240	–	107,240
	<u>2,300,988</u>	<u>(1,602,940)</u>	<u>698,048</u>
<b>Current assets</b>			
Inventories	139,846	–	139,846
Financial assets at FVTPL	–	1,362,913	1,362,913
Trade and other receivables	244,810	–	244,810
Cash and cash equivalents	251,247	2,945,394	3,196,641
	<u>635,903</u>	<u>4,308,307</u>	<u>4,944,210</u>

	<b>The Group as at 30 September 2023</b>	<b>The Group Pro forma adjustments</b>	<b>The Remaining Group as at 30 September 2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>		<i>(Unaudited)</i>
	<i>(Note 1)</i>	<i>(Note 2)</i>	
<b>Current liabilities</b>			
Trade and other payables	227,575	–	227,575
Dividend payables	94,298	–	94,298
Contract liabilities	29,928	–	29,928
Tax payable	17,794	–	17,794
Bank borrowings	4,256	–	4,256
Lease liabilities	2,249	–	2,249
	<u>376,100</u>	<u>–</u>	<u>376,100</u>
<b>Net current assets</b>	<u>259,803</u>	<u>4,308,307</u>	<u>4,568,110</u>
<b>Total assets less current liabilities</b>	<u>2,560,791</u>	<u>2,705,367</u>	<u>5,266,158</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	100,968	55,789	156,757
Lease liabilities	12,248	–	12,248
	<u>113,216</u>	<u>55,789</u>	<u>169,005</u>
	<u>2,447,575</u>	<u>2,649,578</u>	<u>5,097,153</u>
<b>Capital and reserves</b>			
Share capital	192,023	–	192,023
Reserves	2,163,500	2,649,578	4,813,078
Equity attributable to owners of the Company	2,355,523	2,649,578	5,005,101
Non-controlling interests	92,052	–	92,052
<b>Total equity</b>	<u><u>2,447,575</u></u>	<u><u>2,649,578</u></u>	<u><u>5,097,153</u></u>

*Unaudited pro forma consolidated statement of profit or loss and other comprehensive income*

	The Group				The
	for the year				Remaining
	ended				Group for
	31 March	Pro forma adjustments			the year
	2023	2023			ended
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	31 March
	(Note 3)	(Note 4)	(Note 5)	(Note 6)	2023
					HK\$'000
					(unaudited)
Revenue	1,325,806	–	–	–	1,325,806
Cost of sales	(1,102,514)	–	–	–	(1,102,514)
Gross profit	223,292	–	–	–	223,292
Other income	31,851	–	–	11,103	42,954
Other gains and losses	(13,328)	–	–	(107,627)	(120,955)
Gain on derecognition of debt investments at amortised cost	8,720	–	–	–	8,720
Reversal of (allowances on) credit losses, net					
– trade receivables	1,735	–	–	–	1,735
– debt investments at amortised cost	(56,584)	–	–	–	(56,584)
Selling and distribution expenses	(98,019)	–	–	–	(98,019)
Administrative expenses	(39,355)	–	–	–	(39,355)
Finance costs	(943)	–	–	–	(943)
Gain on disposal of equity interests of an associate	241,503	–	4,194,406	–	4,435,909
Gain on deemed disposal of associates	195,586	1,175	–	–	196,761
Share of results of associates	242,572	(228,617)	–	–	13,955
Profit before income tax	737,030	(227,442)	4,194,406	(96,524)	4,607,470
Income tax expense	(75,786)	11,431	(507,329)	9,942	(561,742)
Profit for the year	661,244	(216,011)	3,687,077	(86,582)	4,045,728
<b>Other comprehensive (expense) income</b>					
<i>Item that will not be reclassified to profit or loss:</i>					
Share of other comprehensive (expense) income of associates, net of related income tax	(4,272)	5,355	–	–	1,083
<i>Items that may be reclassified subsequently to profit or loss:</i>					

## APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE GROUP UPON COMPLETION

	The Group				The
	for the year				Remaining
	ended				Group for
	31 March				the year
	2023				ended
	Pro forma adjustments				31 March
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	2023
	(Note 3)	(Note 4)	(Note 5)	(Note 6)	HK\$'000
					(unaudited)
Exchange differences arising on the translation of foreign operations:					
Subsidiaries	(42,132)	–	–	–	(42,132)
Associates	(137,307)	123,405	–	–	(13,902)
Reclassification of cumulative translation reserve upon disposal of equity interests of an associate	1,424	–	(79,696)	–	(78,272)
	<u>478,957</u>	<u>(87,251)</u>	<u>3,607,381</u>	<u>(86,582)</u>	<u>3,912,505</u>
Total comprehensive income for the year					
Profit for the year attributable to:					
Owners of the Company	615,109	(216,011)	3,687,077	(86,582)	3,999,593
Non-controlling interests	46,135	–	–	–	46,135
	<u>661,244</u>	<u>(216,011)</u>	<u>3,687,077</u>	<u>(86,582)</u>	<u>4,045,728</u>
Total comprehensive income attributable to:					
Owners of the Company	433,919	(87,251)	3,607,381	(86,582)	3,867,467
Non-controlling interests	45,038	–	–	–	45,038
	<u>478,957</u>	<u>(87,251)</u>	<u>3,607,381</u>	<u>(86,582)</u>	<u>3,912,505</u>
	HK cents				HK cents
Earnings per share					
– basic	<u>63.6</u>				<u>413.6</u>
– diluted	<u>63.2</u>				<u>410.7</u>

*Unaudited pro forma consolidated statements of cash flows*

	The Group				The
	for the year				Remaining
	ended				Group for
	31 March	Pro forma adjustments			the year
	2023	2023			ended
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	31 March
	(Note 3)	(Note 7)	(Note 5)	(Note 6)	2023
					HK\$'000
					(unaudited)
<b>Operating activities</b>					
Profit before income tax	737,030	(227,442)	4,194,406	(96,524)	4,607,470
<i>Adjustments for:</i>					
Gain on disposal of equity interests of an associate	(241,503)	–	(4,194,406)	–	(4,435,909)
Gain on deemed disposal of associates	(195,586)	(1,175)	–	–	(196,761)
Share of results of associates	(242,572)	228,617	–	–	(13,955)
Finance costs	943	–	–	–	943
Interest income	(22,213)	–	–	–	(22,213)
Dividend income	–	–	–	(11,103)	(11,103)
Impairment loss recognised on property, plant and equipment	16,279	–	–	–	16,279
Depreciation of property, plant and equipment	48,813	–	–	–	48,813
Depreciation of right-of-use assets	5,056	–	–	–	5,056
Depreciation of investment properties	201	–	–	–	201
Recognition of equity-settled share- based payment expenses under share award scheme	1,538	–	–	–	1,538
Net loss on disposal and written off of property, plant and equipment	341	–	–	–	341
(Reversal of) allowances on credit losses, net					
– trade receivables	(1,735)	–	–	–	(1,735)
– other receivables	–	–	–	–	–
– debt investments at amortised cost	56,584	–	–	–	56,584
Gain on derecognition on debt investments at amortised cost	(8,720)	–	–	–	(8,720)
Gain on fair value changes of financial assets at fair value through profit or loss (“FVTPL”)	–	–	–	107,627	107,627
Loss (gain) on fair value changes of derivative financial instruments	3,189	–	–	–	3,189
(Reversal) recognition of allowance for inventories, net	(4,567)	–	–	–	(4,567)
Unrealised exchange (gain) loss	(6,308)	–	–	–	(6,308)

## APPENDIX III

UNAUDITED PRO FORMA FINANCIAL INFORMATION  
OF THE GROUP UPON COMPLETION

	<b>The Group</b>				<b>The</b>
	<b>for the year</b>				<b>Remaining</b>
	<b>ended</b>				<b>Group for</b>
	<b>31 March</b>	<b>Pro forma adjustments</b>			<b>31 March</b>
	<b>2023</b>	<b>2023</b>			<b>2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Note 3)</i>	<i>(Note 7)</i>	<i>(Note 5)</i>	<i>(Note 6)</i>	<i>(unaudited)</i>
Operating cash flows before movements					
in working capital	146,770	–	–	–	146,770
Decrease (increase) in inventories	82,197	–	–	–	82,197
Decrease (increase) in trade and other					
receivables	66,069	–	–	–	66,069
(Decrease) increase in trade and other					
payables	(33,812)	–	–	–	(33,812)
(Decrease) increase in contract					
liabilities	(9,392)	–	–	–	(9,392)
Cash generated from operations	251,832	–	–	–	251,832
Income tax paid	(12,252)	–	–	–	(12,252)
<b>Net cash from operating activities</b>	<b>239,580</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>239,580</b>
<b>Investing activities</b>					
Purchase of property, plant and					
equipment	(25,351)	–	–	–	(25,351)
Prepayment for acquisition of plant and					
equipment	(8,455)	–	–	–	(8,455)
Purchase of debt investments at					
amortised cost	(39,320)	–	–	–	(39,320)
Repayment of debt investments at					
amortised cost	9,084	–	–	–	9,084
Proceeds on disposal of equity interests					
of an associate, net of tax	300,312	–	3,788,564	–	4,088,876
Dividend income	–	–	–	10,548	10,548
Dividend received from associates, net					
of withholding tax	34,511	(34,511)	–	–	–
Interest income received	10,934	–	–	–	10,934
Proceeds from disposals of property,					
plant and equipment	324	–	–	–	324
Repayment of loan receivables	1,764	–	–	–	1,764
<b>Net cash from (used in) investing</b>	<b>283,803</b>	<b>(34,511)</b>	<b>3,788,564</b>	<b>10,548</b>	<b>4,048,404</b>
<b>activities</b>					

	<b>The Group for the year ended 31 March 2023</b>	<b>Pro forma adjustments</b>			<b>The Remaining Group for the year ended 31 March 2023</b>
	<i>HK\$'000</i> (Note 3)	<i>HK\$'000</i> (Note 7)	<i>HK\$'000</i> (Note 5)	<i>HK\$'000</i> (Note 6)	<i>HK\$'000</i> (unaudited)
<b>Financing activities</b>					
Dividends paid	(241,014)	–	–	–	(241,014)
Dividend paid to non-controlling interests	(5,673)	–	–	–	(5,673)
Payment for repurchase of ordinary shares	(57,745)	–	–	–	(57,745)
Payment for purchase of shares for share award scheme	(9,170)	–	–	–	(9,170)
Repayment of lease liabilities	(5,084)	–	–	–	(5,084)
Interest paid	(943)	–	–	–	(943)
Repayment of bank borrowings	(98,237)	–	–	–	(98,237)
New bank borrowings raised	90,646	–	–	–	90,646
<b>Net cash used in financing activities</b>	<u>(327,220)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(327,220)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	196,163	(34,511)	3,397,448	10,548	3,569,648
<b>Effect of changes in foreign exchange rates</b>	(184)	–	–	–	(184)
<b>Cash and cash equivalents at beginning of the year</b>	<u>104,334</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>104,334</u>
<b>Cash and cash equivalents at end of the year, represented by bank balances and cash</b>	<u><u>300,313</u></u>	<u><u>(34,511)</u></u>	<u><u>3,397,448</u></u>	<u><u>10,548</u></u>	<u><u>3,673,798</u></u>

## NOTES TO UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

## AS AT 30 SEPTEMBER 2023 AND FOR THE YEAR ENDED 31 MARCH 2023

1. The amounts are extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2023, as set out in the published interim report of the Company for the six months ended 30 September 2023 dated 22 December 2023.
2. The adjustment represents the recognition of the post-tax gain on the Disposal (as defined in this circular), as if the Disposal had been completed on 30 September 2023. The post-tax gain on the Disposal is calculated as follows:

	<b>HK\$'000</b>
Sale Consideration in HK\$ ( <i>note (i)</i> )	3,466,501
Add: Fair value of the remaining interest in Nantong Jianghai ( <i>note (ii)</i> )	1,362,913
	4,829,414
Less: carrying amount of the Group's interest in Nantong Jianghai as at 30 September 2023 ( <i>note (iii)</i> )	(1,602,940)
Less: Adjustment to translated reserve recognised on the interest in Nantong Jianghai released upon the Disposal as at 30 September 2023 ( <i>note (iii)</i> )	(150,317)
Less: Estimated transaction costs and expenses of the Disposal ( <i>note (iv)</i> )	(181,485)
	2,894,672
Pro forma gain on the Disposal	2,894,672
Less: Estimate income tax ( <i>note (v)</i> )	(339,622)
Add: Adjustment to deferred tax liabilities recognised on the temporary differences recognised on the Group's interest in Nantong Jianghai	77,408
Less: Adjustment to deferred tax liabilities recognised on the temporary differences arisen from the unrealised fair value change in the remaining 8.81% interest in Nantong Jianghai	(133,197)
	2,499,261

*Notes:*

- (i) Pursuant to the Share Purchase Agreement (as defined in this circular), the cash consideration payable by the Purchaser (as defined in this circular) is RMB3,232.5 million (equivalent to approximately HK\$3,466.5 million). The consideration for the Disposal will be settled by the Purchaser by the way that:
  - (a) 10% of the Sale Consideration shall be deposited into a joint account within three trading days of the setting up of the joint account, which the joint account shall be set up within three trading days from the date of the Share Purchase Agreement;
  - (b) the remaining 90% of the Sale Consideration shall be deposited into the joint account within three Trading Days upon issuance of a confirmation opinion by the Shenzhen Stock Exchange confirming that the Disposal is compliant with its relevant requirements in accordance with the Share Purchase Agreement.
- (ii) The amount represents the fair value of the remaining 74,891,000 Nantong Jianghai Shares owned by the Remaining Group after the Disposal as at 30 September 2023. The fair value of the remaining Nantong Jianghai Shares is determined by the closing price of a Nantong Jianghai Share at 30 September 2023. Upon completion of the transaction, the Group will not participate in the financing and operating policy decisions of Nantong Jianghai, therefore the management considered that it is a financial asset at FVTPL.

- (iii) The amount represents the carrying amount of the Group's interest in Nantong Jianghai and accumulated translation reserve attributable to the interest in Nantong Jianghai as at 30 September 2023.
- (iv) The amount includes estimated value added tax, stamp duties, estimated costs and expenses related to professional services in respect of the Disposal amounting to HK\$181.5 million which will be borne by the Remaining Group and is assumed to be settled in cash.
- (v) The amount represents the estimated enterprise income tax in respect of the Disposal amounting to HK\$339.6 million which will be borne by the Remaining Group and is assumed to be settled in cash.
- (vi) The RMB denominated amounts are converted from RMB to HK\$ at an exchange rate of HK\$1 to RMB0.9325 which is the prevailing rate as at 30 September 2023 from a public source. No representation is made that RMB amounts have been, could have been or could be converted to HK\$, or vice versa, at that rate or at all.
- (vii) The actual financial effects of the Disposal are to be determined based on the consideration and the carrying amount of the Group's interest in Nantong Jianghai at the Completion Date, which may be different from the estimated amounts used in the preparation of the Unaudited Pro Forma Financial Information.
3. The amounts are extracted from the audited consolidated statement of profit or loss and other comprehensive income and audited consolidated statement of cash flow of the Group for the year ended 31 March 2023, as set out in the published annual report of the Company for the year ended 31 March 2023 dated 26 July 2023.
4. The adjustment reflects the exclusion of the financial performance of the Disposal Group for the year ended 31 March 2023, which is extracted from the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 March 2023, assuming the Disposal had been taken place on 1 April 2022, and Nantong Jianghai would cease to be an associate of the Group on 1 April 2022. For the purpose of Unaudited Pro Forma Financial Information, these adjustments have not taken into the account of the net decrease in shareholdings in Nantong Jianghai of 14,563,000 shares by the Group during the year ended 31 March 2023 and any further change in the Group's shareholdings in Nantong Jianghai subsequent to 31 March 2023.
5. The adjustment represents the recognition of the post-tax gain on the Disposal and as if the Disposal had been completed on 1 April 2022. The post-tax gain on the Disposal is calculated as follows:

	<b>HK\$'000</b>
Sale Consideration in HK\$ ( <i>note (i)</i> )	3,992,100
Add: Fair value of the remaining interest in Nantong Jianghai ( <i>note (ii)</i> )	1,984,844
	<u>5,976,944</u>
Less: carrying amount of the Group's interest in Nantong Jianghai as at 1 April 2022 ( <i>note (iii)</i> )	(1,658,698)
Add: Adjustment to translated reserve recognised on the interest in Nantong Jianghai released upon the Disposal as at 1 April 2022 ( <i>note (iii)</i> )	79,696
Less: Estimated transaction costs and expenses of the Disposal ( <i>note (iv)</i> )	(203,536)
	<u>4,194,406</u>
Pro forma gain on the Disposal	4,194,406
Less: Estimate income tax ( <i>note (v)</i> )	(391,116)
Add: Adjustment to deferred tax liabilities recognised on the temporary differences recognised on the Group's interest in Nantong Jianghai	78,708
Less: Adjustment to deferred tax liabilities on the temporary differences arisen from the unrealised fair value change in the remaining interest in Nantong Jianghai	(194,921)
	<u>3,687,077</u>

*Notes:*

- (i) Pursuant to the Share Purchase Agreement (as defined in this circular), the cash consideration payable by the Purchaser (as defined in this circular) is RMB3,232.5 million (equivalent to approximately HK\$3,992.1 million). The consideration for the Disposal will be settled by the Purchaser by the way that:
    - (c) 10% of the Sale Consideration shall be deposited into a joint account within three trading days of the setting up of the joint account, which the joint account shall be set up within three trading days from the date of the Share Purchase Agreement;
    - (d) the remaining 90% of the Sale Consideration shall be deposited into the joint account within three Trading Days upon issuance of a confirmation opinion by the Shenzhen Stock Exchange confirming that the Disposal is compliant with its relevant requirements in accordance with the Share Purchase Agreement.
  - (ii) The amount represents the fair value of the remaining 74,891,000 Nantong Jianghai Shares owned by the Remaining Group after the Disposal as at 1 April 2022. The fair value of the remaining Nantong Jianghai Shares is determined by the closing price of a Nantong Jianghai Share at 31 March 2022.
  - (iii) The amount represents the carrying amount of the Group's interest in Nantong Jianghai and accumulated translation reserve attributable to the interest in Nantong Jianghai as at 1 April 2022.
  - (iv) The amount includes estimated value added tax, stamp duties, estimated costs and expenses related to professional services in respect of the Disposal amounting to HK\$203.5 million which will be borne by the Remaining Group and is assumed to be settled in cash.
  - (v) The amount represents the estimated income tax in respect of the Disposal amounting to HK\$391.1 million which will be borne by the Remaining Group and is assumed to be settled in cash.
  - (vi) The RMB denominated amounts are converted from RMB to HK\$ at an exchange rate of HK\$1 to RMB0.8097 which is the prevailing rate as at 1 April 2022 from a public source. No representation is made that RMB amounts have been, could have been or could be converted to HK\$, or vice versa, at that rate or at all.
  - (vii) The actual financial effects of the Disposal are to be determined based on the consideration and the carrying amount of the Group's interest in Nantong Jianghai at the Completion Date, which may be different from the estimated amounts used in the preparation of the Unaudited Pro Forma Financial Information.
6. The adjustment reflects the dividend income and fair value change of the remaining 74,891,000 Nantong Jianghai Shares held by the Company for the period from 1 April 2022 to 31 March 2023, and the recognition of corresponding tax expenses.
7. The adjustment reflects the exclusion of impact on the consolidated statement of cash flows in respect of the interest in Nantong Jianghai for the year ended 31 March 2023, which is extracted from the consolidated statement of cash flows of the Group for the year ended 31 March 2023 as set out in the published annual report of the Company for the year ended 31 March 2023 dated 26 July 2023, assuming the Disposal had taken place on 1 April 2022 and Nantong Jianghai would cease to be an associate of the Group on 1 April 2022. For the purpose of Unaudited Pro Forma Financial Information, these adjustments have not taken into the account of the net decrease in shareholdings in Nantong Jianghai of 14,563,000 shares by the Group during the year ended 31 March 2023 and any further change in the Group's shareholdings in Nantong Jianghai subsequent to 31 March 2023.
8. The adjustments mentioned in notes 4 and 5 are not expected to have a continuing effect on the unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Remaining Group. The adjustments mentioned in notes 5 and 7 are not expected to have a continuing effect on the unaudited pro forma consolidated statement of cash flows of the Remaining Group..
9. Apart from the notes above, no other adjustment has been made to reflect any trading results or other transactions of the Remaining Group entered into subsequent to 1 April 2022 or 30 September 2023 for the purpose of preparation of the Unaudited Pro Forma Financial Information of the Remaining Group.

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

*Set out below is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this circular.*

**To the Directors of Yeebo (International Holdings) Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Yeebo (International Holdings) Limited (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 consolidated statement of financial position as at 30 September 2023, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2023, the unaudited pro forma consolidated statement of cash flows for the year ended 31 March 2023 and related notes as set out on pages III-1 to III-11 of the circular issued by the Company dated 28 March 2024 (the “**Circular**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages III-1 to III-11 of the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the very substantial disposal in relation to the proposed disposal of certain interest in Nantong Jianghai Capacitor Co., Ltd., an associate of the Group (the “**Disposal**”) on the Group's consolidated financial position as at 30 September 2023 and the Group's consolidated financial performance and consolidated cash flows for the year ended 31 March 2023 as if the Disposal had taken place at 30 September 2023 and 1 April 2022 respectively. As part of this process, information about the Group's consolidated financial position, consolidated financial performance and consolidated cash flows has been extracted by the Directors from the Group's consolidated financial statements for the six months ended 30 September 2023 and year ended 31 March 2023 as appropriate, on which a review conclusion and an auditor's report have been published, respectively.

**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 behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, and Other Assurance and 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 30 September 2023 or 1 April 2022 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  
28 March 2024

**1. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement contained herein or this circular misleading.

**2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

**(A) Long position in the shares of the Company****Number of shares and Nature of interests**

	<b>Personal interests</b>	<b>Total</b>	<b>Percentage of Company's issued capital (Note (i))</b>
Mr. Li Kwok Wai, Frankie	108,504,000	108,504,000	11.35%
Mr. Leung Tze Kuen	3,110,000	3,110,000	0.33%

**(B) Long position in the shares of associated corporations of the Company****(1) Antrix Investment Limited (“Antrix”) (Note(i))***Number of shares and nature of interests*

	<b>Personal interests</b>	<b>Through controlled corporations</b>	<b>Total</b>	<b>Percentage of issued capital of Antrix</b>
Mr. Li Kwok Wai, Frankie	–	17,351,735	17,351,735	33.33%

**(2) Fang Brothers Holdings Limited (“Fang Brothers”) (Note(ii))***Number of shares and nature of interests*

	<b>Personal interests</b>	<b>Spouse interests</b>	<b>Total</b>	<b>Percentage of issued capital of Fang Brothers</b>
Mr. Fang Yan Tak, Douglas	16,000,000	–	16,000,000	20.00%

*Notes:*

- (i) As at the Latest Practicable Date, Antrix held 570,000,000 shares of the Company.
- (ii) As at the Latest Practicable Date, Fang Brothers beneficially owned 66.77% of the issued share capital of Antrix.

### 3. DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save as disclosed below, as at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) no person had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

#### Long position in the shares of the Company

	Capacity and nature of interest	Number of shares held	% of the Company's issued share capital <sup>(Note (i))</sup>
Antrix <sup>(Note (ii))</sup>	Directly beneficially owned	570,000,000	59.61%
Esca Investment Limited <sup>(Note (ii))</sup>	Indirectly beneficially owned	570,000,000	59.61%
Fang Brothers Holdings Limited <sup>(Note (ii))</sup>	Indirectly beneficially owned	570,000,000	59.61%

Notes:

- (i) Based on the total number of issued shares of the Company as at the Latest Practicable Date.
- (ii) As at the Latest Practicable Date, Antrix was held as to 66.67% by Esca Investment Limited (a company wholly-owned by Fang Brothers Holdings Limited in which none of its shareholders holds more than 20% of its issued capital). The shares held by Esca Investment Limited and Fang Brothers Holdings Limited represent the same interest held by Antrix.

### 4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### 5. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as was known to the Directors, none of Directors of the Company or any of Company's subsidiaries, or their respective associates had interests in businesses, other than being a director of the Company and/or its subsidiaries and their respective associates, which compete or are likely to compete, either directly or indirectly, with the businesses of the Company and its subsidiaries as required to be disclosed pursuant to the Listing Rules.

**6. INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP**

As at the Latest Practicable Date, none of the Directors:

- (i) had any interest, direct or indirect, in any assets which have been, since 31 March 2023 (being the date to which the latest published audited accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; or
- (ii) was materially interested in any contract or arrangement, subsisting at the date of this circular, which is significant in relation to the business of the Group.

**7. LITIGATION**

As at the Latest Practicable Date, so far as was known to the Directors, neither the Company nor any of its subsidiaries was engaged in any litigation or claim of material importance, and no other litigation or claim of material importance was to be pending or threatened against the Company nor any of its subsidiaries.

**8. MATERIAL CONTRACTS**

Save for the Share Purchase Agreement, as at the Latest Practicable Date, neither the Company nor any other member of the Group has entered into any material contracts (not being contracts entered into in the ordinary course of business of the Group) within the two years immediately preceding the date of this circular.

**9. EXPERTS AND CONSENTS**

The following is the qualification of the expert who has given opinion or advice contained in this circular:

<b>Name</b>	<b>Qualification</b>
Deloitte Touche Tohmatsu	Certified Public Accountants

As at the Latest Practicable Date, Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report or letter (as the case may be) and references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu did not have any shareholding interests in the Company or any member of the Group, or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in the Company or any member of the Group.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu did not have any interest, direct or indirect, in any assets which had been, since 31 March 2023 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

#### **10. MISCELLANEOUS**

- (i) The registered office of the Company is at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.
- (ii) The branch share registrar of the Company in Hong Kong is Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (iii) The principal place of business of the Company in Hong Kong is at 7th Floor, On Dak Industrial Building, 2-6 Wah Sing Street, Kwai Chung, New Territories, Hong Kong.
- (iv) The company secretary of the Company is Mr. Lau Siu Ki, Kevin. Mr. Lau is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.
- (v) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

#### **11. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published and displayed on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<https://www.yeebo.com.hk>) for a period of 14 days from the date of this circular (both days inclusive):

- (i) the Share Purchase Agreement;
- (ii) the annual reports of the Company containing audited consolidated financial statements of the Company for the three years ended 31 March 2021, 2022 and 2023;
- (iii) the interim report of the Company for the six months ended 30 September 2023;

- (iv) the report from Deloitte Touche Tohmatsu in respect of the unaudited pro forma financial information of the Group upon Completion, the text of which is set out in Appendix III of this circular;
- (v) the written consent referred to in the paragraph headed “Experts and Consents” in this Appendix IV; and
- (vi) this circular.

---

## NOTICE OF THE SPECIAL GENERAL MEETING

---



### YEEBO (INTERNATIONAL HOLDINGS) LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 259)**

#### NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “**Special General Meeting**”) of Yeebo (International Holdings) Limited (the “**Company**”) will be held at Huashan Room, Level 5, Island Shangri-la Hong-Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 17 April 2024 at 11:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as an ordinary resolution of the Company:

#### ORDINARY RESOLUTION

**“THAT:**

the terms of and the transactions contemplated under the Share Purchase Agreement dated 12 March 2024 (a copy of which marked “A” has been tabled before the Special General Meeting and initialed by the chairman of the Special General Meeting for identification purpose) (the “**Share Purchase Agreement**”) in respect of the proposed disposal by the Company of 170,130,000 Nantong Jianghai Shares, which represents 20.02% of the total issued share capital of the Target Company, be and are hereby approved, and any one director of the Company be and is hereby authorized for and on behalf of the Company to sign, seal, execute, perfect, perform and deliver all such agreements, instruments, documents and deeds, and do all such acts or things and take all such steps as he/she/they may in his/her/their absolute discretion consider to be necessary, desirable, appropriate or expedient to implement and/or to give effect to the Share Purchase Agreement and all matters incidental thereto.”

By order of the Board  
**Lau Siu Ki, Kevin**  
*Company Secretary*

Hong Kong  
28 March 2024

---

## NOTICE OF THE SPECIAL GENERAL MEETING

---

*Notes:*

- (1) A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Shareholder. In order to be valid, the form of proxy must be deposited with the Company's Branch Share Registrars in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with any power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority, not less than 48 hours before the time for holding the Meeting (i.e. not later than 11 a.m. on 15 April 2024 (Hong Kong time)) or adjournment thereof.
- (2) The register of members of the Company will be closed from 16 April, 2024 to 17 April, 2024, both days inclusive, to determine the identity of the shareholders who are entitled to attend the Special General Meeting to be held on 17 April 2024. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Branch Share Registrars in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 15 April, 2024.