

1. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effect of the Rights Issue, which involves the issue of up to 4,490,346,480 Rights Shares at the Subscription Price of HK\$0.035 per Rights Share on the basis of three Rights Shares for every one Share in issue held on the Record Date, on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 30 September 2021.

The Unaudited Pro Forma Financial Information of the Group is prepared by the director based on the unaudited consolidated statement of financial position of the Group as at 30 September 2021, extracted from the published interim report of the Group for the six months ended 30 September 2021, with adjustments described below.

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Notes:

1. Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2021 is calculated as follows:

	<i>HKD'000</i>
Unaudited consolidated net assets of the Group as at 30 September 2021	250,595
Less:	
Intangible assets	(54,006)
Non-controlling interests	<u>(36,597)</u>
	<u><u>159,992</u></u>

2. The estimated net proceeds of approximately HK\$149,700,000 from the Rights Issue are based on the 4,490,346,480 Rights Shares to be issued at a Subscription Price of HK\$0.035 per Rights Share after deduction of the estimated related expenses, including among others, placing fee up to approximately HK\$3.9 million assuming all Rights Shares are fully placed by the Placing Agent, professional fees, financial adviser fees and accountancy charges of approximately HK\$0.5 million, printing and translation fees of approximately HK\$0.3 million, legal and general advisory fees of approximately HK\$2.45 million, share registrar charges of approximately HK\$0.3 million, application fee for approximately HK\$0.05 million, which are directly attributable to the Rights Issue.
3. The calculation of unaudited consolidated net tangible assets of the Group attributable to owners of the Company per Share is based on the unaudited consolidated net tangible assets as at 30 September 2021 and the number of shares of 1,496,782,160 as at the Latest Practicable Date.
4. The calculation of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share after the completion of the Rights Issue is based on 5,987,128,640 Shares which comprise 1,496,782,160 Shares in issue as the Latest Practicable Date and 4,490,146,480 Rights Shares to be issued.
5. Save as disclosed above, no adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2021.



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21 April 2022

The Board of Directors of
Grand T G Gold Holdings Limited
Room A-B, 8th Floor,
Centre Mark II, 305–313 Queen's Road Central,
Sheung Wan, Hong Kong

Dear Sirs,

Grand T G Gold Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”)

Accountant's Report on Unaudited Pro Forma Financial Information

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Grand T G Gold Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets as at 30 September 2021 and related notes as set out on pages II-1 to II-2 of the prospectus issued by the Company dated 21 April 2022 (the “**Prospectus**”). The applicable criteria on the basis of which the directors have compiled the unaudited pro forma financial information are described in Section 1 of Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the proposed rights issue on the basis of one rights share for each existing share at the subscription price of HK\$0.035 per rights share (the “**Rights Issue**”) on the Group's consolidated financial position as at 30 September 2021 as if the Rights Issue had taken place on 30 September 2021. As part of this process, information about the Group's net tangible assets as at 30 September 2021 has been extracted by the directors from the Group's consolidated statement of financial position as at 30 September 2021, included in the results announcement of the Group for the year ended 30 September 2021.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM 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 Control

We have complied with the independence and other ethical requirement 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 Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant’s Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant plan and performs procedures to obtain reasonable assurance about whether the directors have compiled the unaudited pro forma financial information in accordance with paragraph 7.31 of the GEM 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 Rights Issue at 30 September 2021 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the

compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's 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.

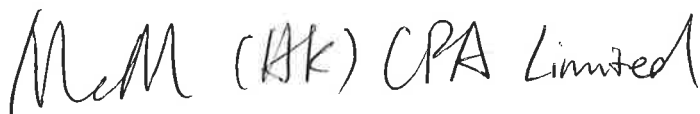
We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the director of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Yours faithfully,



McM (HK) CPA Limited
Certified Public Accountants
Hong Kong