

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

14 April 2023

The Board of Directors
CBK Holdings Limited
Unit 3205, 32/F
West Tower Shun Tak Centre
168-200 Connaught Road Central, Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of CBK Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") prepared by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2022 and related notes as set out on pages II-1 to II-3 of the circular dated 14 April 2023 (the "Circular"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on page II-1 of the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 77,757,995 rights shares at HK\$0.265 per rights shares (the "Rights Shares") on the basis of five Rights Shares for every one existing share of the Company held on the rights issue record date (the "Rights Issue") on the Group's unaudited consolidated net tangible assets attributable to owners of the Company as at 30 September 2022 as if the Rights Issue had taken place on 30 September 2022. As part of this process, information about the Group's unaudited consolidated financial position has been extracted by the Directors from the published interim report of the Company for the six months ended 30 September 2022.

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").

Reporting accountants' independence and quality control

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.

We apply Hong Kong Standard on Quality Control 1 (Clarified) "*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 maintain 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 accountants' 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 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 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 the unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the 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 events or transactions at 30 September 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 unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' 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 Directors 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,



Mazars CPA Limited
Certified Public Accountants
Hong Kong

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 owners of the Company prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules is set out to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had been completed on 30 September 2022.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group as at the date to which it is made up or at any future date.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2022, as extracted from the published interim report of the Company for the six months ended 30 September 2022, with adjustments described below.

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2022 <i>HK\$'000</i> <i>(Note i)</i>	Estimated net proceeds from the Rights Issue <i>HK\$'000</i> <i>(Note ii)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Rights Issue <i>HK\$'000</i>	Unaudited consolidated net tangible assets of the Group per Share attributable to owners of the Company as at 30 September 2022 <i>HK\$</i> <i>(Note iii)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group per Share attributable to owners of the Company immediately after completion of the Rights Issue <i>HK\$</i> <i>(Note iv)</i>
Rights Issue of 77,757,995 Rights Shares	14,029	18,920	32,949	0.90	0.35

Notes:

- (i) The unaudited consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$14,029,000 as at 30 September 2022 is based on the unaudited condensed consolidated financial position of the Group attributable to owners of the Company as at 30 September 2022 of approximately HK\$14,029,000 as extracted from the published interim report of the Company for the six months ended 30 September 2022.
- (ii) The estimated net proceeds from the Rights Issue of approximately HK\$18,920,000 is calculated based on 77,757,995 Rights Shares to be issued (in the proportion of five (5) Rights Shares for every one (1) existing share held as at the Record Date) at the subscription price of HK\$0.265 per Rights Share, after deduction of the estimated related expenses of approximately HK\$1,686,000 assuming that the Rights Issue had been completed on 30 September 2022.
- (iii) The unaudited consolidated net tangible assets of the Group per share attributable to owners of the Company as at 30 September 2022 is approximately HK\$0.90, which is calculated based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2022 of approximately HK\$14,029,000 divided by 15,551,599 Shares in issue as at 30 September 2022.
- (iv) The unaudited pro forma adjusted consolidated net tangible assets of the Group per Share attributable to owners of the Company immediately after completion of the Rights Issue is approximately HK\$0.35, which is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Rights Issue of approximately HK\$32,949,000 divided by 93,309,594 Shares, which represents the sum of 15,551,599 Shares in issue as at 30 September 2022 and the Record Date (assuming no change in the number of Shares in issue on or before the Record Date) and 77,757,995 Rights Shares to be issued, pursuant to the Rights Issue (in the proportion of five (5) Rights Shares for every one (1) existing share held as at the Rights Issue record date), are in issue assuming that the Rights Issue had been completed on 30 September 2022.
- (v) No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2022.