

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021 (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the directors of the Company 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**”), with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and on the basis of the notes set out below for the purpose of illustrating the effects of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 June 2021.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the proposed Rights Issue been completed as at 30 June 2021 or at any future date.

The following Unaudited Pro Forma Financial Information of the adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021, extracted from the published interim report of the Group for the six months ended 30 June 2021, with adjustment described below:

				Unaudited pro forma adjusted	Unaudited pro forma adjusted
		Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2021 RM'000 (Note 1)	Unaudited pro forma adjusted tangible assets attributable to owners of the Company as at 30 June 2021 RM'000 (Notes 2 & 5)	Unaudited consolidated net tangible assets attributable to owners of the Company per Share before completion of the Rights Issue RM (Note 3)	Unaudited consolidated net tangible assets attributable to owners of the Company per Share immediately after completion of the Rights Issue RM (Note 4)
Based on 475,200,000 Rights Shares at subscription price of HK\$0.11 per Rights Share		44,616	26,996	0.28	0.11
			71,612		0.21

Notes:

- (1) The unaudited consolidated net tangible assets attributable to owners of the Company as at 30 June 2021 has been extracted from the published interim report of the Company for six months ended 30 June 2021 adjusted by goodwill of approximately RM604,000.
- (2) The estimated net proceeds from the Rights Issue are based on 475,200,000 Rights Shares to be issued at the Subscription Price of HK\$0.11 per Rights Share, equivalent to RM0.06 per Rights Share and after deducting estimated related expenses, including among others, legal and professional fees, which are directly attributable to the Rights Issue, of approximately HK\$1,800,000.
- (3) The unaudited consolidated net tangible assets of the Group per share attributable to the owners of the Company before the completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2021 of approximately RM44,616,000 as disclosed in note 1 above, divided by 158,400,000 shares of the Company in issue as at 30 June 2021.
- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group after the completion of the Rights Issue per share is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2021 for the Rights Issue of approximately RM71,612,000 divided by Shares which comprise 158,400,000 Shares in issue as at 30 June 2021 and 475,200,000 Rights Shares to be issued after the completion of the Rights Issue assuming the Rights Issue had taken place on 30 June 2021.
- (5) For the purpose of presentation of the unaudited pro forma financial information, the exchange rate adopted is RM1 = HK\$1.8696.

No representation is made that the amounts in Malaysian Ringgit (“**RM**”) were or could have been or could be converted into Hong Kong dollars (“**HK\$**”) and/or that amounts in HK\$ were or could have been or could be converted into RM at such rate or any other exchange rates.

- (6) No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2021.

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

TO THE BOARD OF DIRECTORS OF WORLDGATE GLOBAL LOGISTICS LTD

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of WORLDGATE GLOBAL LOGISTICS LTD (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (“**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of consolidated net tangible assets as at 30 June 2021, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out in Appendix II of the Prospectus issued by the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix II of this Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue on the basis of three rights share at the subscription price of HK\$0.11 per rights share (the “**Rights Share**”) for every one existing share held on the record date (the “**Rights Issue**”) as if the transaction had taken place as at 30 June 2021. As part of this process, information about the unaudited consolidated statement of financial position of the Group as at 30 June 2021, as extracted by the Directors from the Company’s interim report for six months ended 30 June 2021, on which no audit report has been published.

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 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) and with reference to Accounting Guideline (“**AG**”) 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” 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 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 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 Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the 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 comply with ethical requirements and 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 the significant transaction on consolidated net tangible assets of the Group as if 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 June 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 pro forma adjustments give appropriate effect to those criteria; and

APPENDIX II

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- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

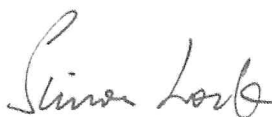
The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

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 purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.



Elite Partners CPA Limited
Certified Public Accountants
Lock Kwong Hang, Simon
(Practising Certificate No: P06735)

Hong Kong, 8 October 2021

App1-Part
B-5(3)