10 September 2025

WRISE
CAPITAL

To the Independent Board Committee

Dear Sir or Madam,

MANDATORY UNCONDITIONAL CASH OFFERS BY GET NICE SECURITIES LIMITED FOR AND ON BEHALF OF HAN VISION HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES AND THE OUTSTANDING CONVERTIBLE NOTE OF RAFFLES INTERIOR LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY HAN VISION HOLDINGS LIMITED AND/OR PARTIES ACTING IN CONCERT WITH IT)

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offers, details of which are contained in the Composite Document dated 10 September 2025, of which this letter forms a part. Terms used in this letter shall have the same meanings as those in the Composite Document unless the context otherwise requires.

As disclosed in the Joint Announcement, on 24 July 2025 (after trading hours), the Vendor and the Offeror entered into the SPA, pursuant to which the Vendor has conditionally agreed to sell and the Offeror has conditionally agreed to purchase the Sale Shares, representing 51.00% of the entire issued share capital of the Company as at the Latest Practicable Date, at a consideration of HK$33,600,000, equivalent to approximately HK$0.066 per Sale Share. The consideration for the Sale Shares under the SPA was agreed between the Offeror and the Vendor after arm's length negotiations with reference to the prevailing closing prices of the Shares. The Company was further informed by the Vendor that Completion took place on 29 July 2025.

Immediately upon Completion, the Offeror and/or parties acting in concert with it are interested in a total of 510,000,000 Shares, representing 51.00% of the total issued share capital of the Company as at the Latest Practicable Date. Pursuant to Rule 26.1 and Rule 13.1 of the

Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire all the issued Shares and the outstanding Convertible Note (other than those already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it).

As at the Latest Practicable Date, the Company has (i) a total of 1,000,000,000 Shares in issue; and (ii) outstanding Convertible Note with an aggregate principal amount of HK$25,500,000 convertible into 187,500,000 Shares. Save for the Convertible Note mentioned above, the Company did not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into the Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares. The Company had no intention to grant any new share options under the Share Option Scheme during the Offer Period.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising the non-executive Director, namely Ms. Loke Pui San and all the independent non-executive Directors, namely Mr. Gay Soon Watt, Mr. Wong Heung Ming Henry and Mr. Tan Chong Huat, has been established to make recommendations to the Offer Shareholders and the Convertible Note Holder as to whether the Share Offer and the Convertible Note Offer are fair and reasonable and as to the acceptance of the Share Offer and the Convertible Note Offer.

We, WRise Capital Limited, have been appointed by the Company with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee in respect of fairness and reasonableness of the Offers and as to acceptance of the Offers.

OUR INDEPENDENCE

As at the Latest Practicable Date, we are not associated or connected with the Company or the Offeror, their respective substantial or controlling shareholders or any party acting, or presumed to be acting, in concert with any of them. In the past two years, there was no engagement between WRise Capital on the one hand and the Group or the Offeror or the parties acting in concert with them on the other. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company or the Offeror, their respective substantial or controlling shareholders or any party acting, or presumed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice in respect of the Offer.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have relied on (i) the statements, information, facts and representations contained or referred to in the Composite Document; (ii) the information provided to us by the Directors and the management of the Company; (iii) the opinions expressed by and the representations of the Directors and the management of the Company; and (iv) our review of the relevant public information, among others, the Joint Announcement, the audited annual report of the Group for the year ended 31 December 2024 ("**2024 Annual Report**"), the interim results announcement of the Group for the six months ended 30 June 2025 ("**2025 IR**") and other information contained in the Composite Document up to the Latest Practicable Date.

We have relied on the above information and representations, and the opinions expressed by the Directors and the management of the Group, and have assumed that such information and statements, and representations made to us or referred to in the Composite Document, for which they are solely responsible, are true, accurate and complete in all material respects at the time when they were provided and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinions, expectations and intentions made by the Directors and the Offeror respectively in the Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been omitted or withheld from the information contained or opinion expressed in the Composite Document or to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors, the management of the Group and the Offeror.

We have also sought and received confirmation from the Directors that no material facts have been omitted or withheld from the information provided and referred to in the Composite Document and that all information or representations provided to us by the Directors and the management of the Group are true, accurate, complete and not misleading in all material respects at the time they were made and continue to be so until the Latest Practicable Date. Should there be any subsequent material change to our opinion after the Latest Practicable Date and up to the end of the Offer Period, the Independent Board Committee, the Offer Shareholders and the Convertible Note Holder will be notified as soon as practicable in accordance with Rule 9.1 of the Takeovers Code.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Composite Document so as to provide a reasonable basis for our recommendation. We have not, however, carried out an independent verification of the information provided, representations made or opinions expressed by the Directors or the management of the Group or the Offeror, nor have we conducted any form of in-depth independent investigation into the business, affairs, operations, financial position or future prospects of the Group or the Offeror or any of their respective subsidiaries and associates.

We have not considered the tax, regulatory and legal implications on the Offer Shareholders and the Convertible Note Holder in formulating our opinion in respect of the Offers since these depend on their individual circumstances. We are not responsible for any tax effect on or liability of any person resulting from his or her acceptance or non-acceptance of the Offer. In particular, the Offer Shareholders and the Convertible Note Holder who are resident overseas or subject to overseas taxation or Hong Kong taxation on securities dealing should consider their own tax position and, if in any doubt, should consult their own professional advisers.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Information of the Group

With reference to the 2024 Annual Report, the Group is an interior fitting-out services provider in Singapore. The Group's principal operating activities are provision of interior fitting-out services for (i) owners or tenants of commercial and light-industrial properties; (ii) construction contractors; and (iii) professional consultants. The Group's revenue was mainly derived from projects involving fitting-out works for office space.

Financial performance

Set out below is a summary of the consolidated financial information of the Group for the two years ended 31 December 2024 and for the six months ended 30 June 2024 and 2025 as extracted from the 2024 Annual Report and the 2025 IR.

	For the six months ended 30 June 2025 ("6M2025") *S$'000* (unaudited)	**For the six months ended 30 June 2024 ("6M2024")** *S$'000* (unaudited and restated)	**Year-on-year change** *%*	**For the year ended 31 December 2024 ("FY2024")** *S$'000* (audited)	**For the year ended 31 December 2023 ("FY2023")** *S$'000* (audited)	**Year-on-year change** *%*
Continuing operations						
Revenue	39,989	23,423	70.7	47,120	91,181	(48.3)
Gross profit	7,711	5,275	46.2	12,588	11,495	9.5
Gross profit margin (%)	*19.3%*	*22.5%*		*26.7*	*12.6*	
Profit for the year/period from continuing operations	3,487	709	391.8	599	1,403	(57.3)
Discontinued operations *(Note)*						
Loss for the year/period from discontinued operations	—	(622)	N/A	(5,147)	—	N/A
Profit/(loss) for the year/period	3,487	87	3,908.0	(4,548)	1,403	N/A

Note: During FY2024, the Group acquired 51% equity interest in the Previous Subsidiary which expanded its business to engage in sale and distribution of soft drink products in the PRC. However, on 31 December 2024, the Group had completed the disposal of its entire interest in the Previous Subsidiary. Thus, the operating segment in respect of the Previous Subsidiary was discontinued in FY2024. The Company's auditor, Moore CPA Limited issued a qualified opinion on the Group's consolidated financial statements for FY2024 due to matters related to the Previous Subsidiary, details of which are disclosed in the 2024 Annual Report and the Appendix II to the Composite Document. With reference to the 2024 Annual Report, it was mentioned that the matters no longer impact the figures presented in the consolidated statement of financial position of the Group as at 31 December 2024, and it shall not have carried forward effect to consolidated financial statements of the year ending 31 December 2025, except the effect of comparability of the relevant financial information presented as comparative figures.

FY2024 vs FY2023

As depicted in the above table, the Group's revenue from continuing operations for FY2024 decreased significantly by approximately 48.3% as compared to that for FY2023. With reference to the 2024 Annual Report and as advised by the Company, such decrease was mainly due to (i) less order books carried forward from 2023 as compared to 2022 by approximately S$27.2 million (while 2022's carried forward backlog was boosted by four relatively sizeable projects secured in late 2022); and (ii) less order book secured in 2024, including (a) less sales secured and completed in first half of 2024 as compared to that of 2023 and (b) less work done for contracts secured in second half of 2024 as compared to that of 2023.

Despite the decline in revenue, the Group's gross profit from continuing operations for FY2024 increased by approximately 9.5% to approximately S$12.6 million, as compared to S$11.5 million for FY2023. Gross profit margin increased from approximately 12.6% for FY2023 to approximately 26.7% for FY2024. We understood from the Company that the decrease in direct cost was in line with the decrease in revenue. The decrease in direct cost was steeper than the decrease in revenue due to (i) reversal of provision for defects liabilities as defect liability period ended; (ii) reverse excess accruals for projects completed and retention received; and (iii) less amount of work subcontracted out as the Group had sufficient resources to complete the work in-house due to less and smaller jobs secured. Further, the Group has sourced materials directly from overseas manufacturers which reduced the cost and improved margins.

The Group's net profit from continuing operations of approximately S$0.6 million for FY2024 decreased by approximately 57.3% compared to that of FY2023. This was mainly attributable to the increase in (i) administrative expenses by approximately S$1.4 million mainly due to increase in staff cost as a result of higher headcount, increment for foreign workers and S-Pass holders, and more accruals for performance bonus; (ii) other losses by approximately S$0.8 million mainly due to fair value loss on derivative component in relation to the Convertible Note and fair value loss on financial assets at fair value through profit or loss; (iii) finance cost by approximately S$0.5 million mainly due to imputed interest on the Convertible Note; and (iv) tax expenses by approximately S$0.4 million as tax loss carried forward had been fully utilized. Such loss was mainly offset by the increase in gross profit and the reversal of impairment losses under expected credit loss model. As a result of the foregoing and the loss from discontinued operations of approximately S$5.1 million, the Group recorded net loss of approximately S$4.5 million for FY2024 as compared to a net profit of approximately S$1.4 million for FY2023.

6M2025 vs 6M2024

For 6M2025, the Group's revenue from continuing operations increased by approximately 70.7% to approximately S$40.0 million as compared to approximately S$23.4 million for 6M2024. With reference to the 2025 IR and as advised by the Company, the increase was mainly due to more order book carried forward from prior year (some sales orders secured in the last quarter of 2024, had a longer duration as compared to those in FY2023, leading to more work to be completed in year 2025, i.e. less work completed in FY2024) and more contracts secured in 6M2025 as compared to 6M2024, as the Group has started to secure contracts from the public sector.

Gross profit for 6M2025 also increased by approximately 46.2% to approximately S$7.7 million, as compared to approximately S$5.3 million for 6M2024. However, gross profit margin deteriorated from approximately 22.5% for 6M2024 to approximately 19.3% for 6M2025. As advised by the Company, this was mainly due to more works were subcontracted out due to the lack of resources for 6M2025. Sub-contracting costs was approximately S$22.8 million for 6M2025, increased by approximately 166.0% from S$8.6 million for 6M2024.

Net profit from continuing operations for 6M2025 was approximately S$3.5 million, as compared to approximately S$0.7 million for 6M2024. The increase was primarily attributable to (i) the increase in revenue, leading to an increase in gross profit; and (ii) the increase in other gains to approximately S$2.7 million for 6M2025 as compared to a loss of approximately S$0.4 million for 6M2024, mainly due to fair value gain on derivative component in relation to the Convertible Note; which was offset by the increase in (a) administrative expenses by approximately S$1.5 million from approximately S$3.8 million for 6M2024 to $S5.3 million for 6M2025, mainly due to increase in staff cost, depreciation and legal fee; (b) finance cost by approximately S$0.7 million for 6M2025 due to new lease taken up and more imputed interest taken up for 6M2025; and (c) income tax expenses. Taking into account the aforesaid and in the absence of the loss from discontinued operations in 6M2025, the Group's net profit for the period increased to approximately S$3.5 million for 6M2025 as compared to S$0.1 million for 6M2024.

Dividends

Since its listing on the Stock Exchange in 2020, the Company has not declared or distributed any dividend.

Financial position

Set out below is a summary of the consolidated financial position of the Group as at 31 December 2024 and 30 June 2025 as extracted from the 2024 Annual Report and the 2025 IR.

	As at 30 June 2025	**As at 31 December 2024**
	S$'000	*S$'000*
	(unaudited)	(audited)
Total assets	49,443	38,636
Total liabilities	37,738	30,418
Net assets	11,705	8,218

As at 30 June 2025 vs as at 31 December 2024

As at 30 June 2025, the Group's total assets were approximately S$49.4 million, primarily included, among others, (i) contract assets of approximately S$26.1 million, trade and other receivables, and deposits and prepayments of approximately S$7.6 million, cash and cash equivalents of approximately S$6.5 million, right-of-use assets of approximately S$4.3 million, representing in aggregate approximately 90.0% of the total assets. The Group's total assets as at 30 June 2025 increased by approximately S$10.8 million (or approximately 28.0%) as compared to that as at 31 December 2024, mainly due to an increase in contract assets of approximately S$16.6 million and in trade and other receivables, deposits and prepayment of S$3.1 million as at 30 June 2025, partially offset by a decrease in cash and cash equivalents of approximately S$9.3 million as at 30 June 2025.

The Group's total liabilities were approximately S$37.7 million as at 30 June 2025, primarily included, among others, (i) trade and other payables and accruals of S$27.7 million, lease liabilities of approximately S$4.6 million and the Convertible Notes of S$4.2 million, representing in aggregate approximately 97.0% of the total liabilities. The Group's total liabilities as at 30 June 2025 increased by approximately S$7.3 million (or approximately 24.1%) from approximately S$30.4 million as at 31 December 2024, mainly due to the increase in trade and other payables and accruals by approximately S$9.3 million, partly offset by the decrease in Convertible Note's fair value by approximately S$1.8 million as at 30 June 2025.

As a result of the foregoing, the Group's net assets increased to approximately S$11.7 million as at 30 June 2025.

Prospects and outlook of the Group

As discussed in the paragraph headed "1. Information of the Group" above, the Group's principal operating activities are provision of interior fitting-out services for (i) owners or tenants of commercial and light-industrial properties; (ii) construction contractors; and (iii) professional consultants.

According to a media release namely "Construction demand to remain strong for 2025" dated 23 January 2025 issued by the Building and Construction Authority ("**BCA**") in Singapore, the BCA projected the total construction demand, i.e. the value of construction contracts to be awarded to range between S$47 billion and S$53 billion in nominal terms in 2025. This represented about 6.3% to 19.9% increase from that of the preliminary total construction demand of S$44.2 billion in nominal terms for 2024 which mainly attributable to the rolling out of more public institutional projects as well as public and private housing projects. The strong demand projected for 2025 is underpinned by the expected award of contracts for several large-scale developments, such as Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include high-specification industrial buildings, educational developments, healthcare facilities, Mechanical and Engineering contracts for the Thomson-East Coast Line Extension (TEL) and Cross Island Line (CRL), and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.

Over the medium-term, BCA projected the total construction demand to reach between S$39 billion and S$46 billion per year from 2026 to 2029, with the public sector expected to lead the demand. While the medium-term construction demand is projected to be robust, the schedules and phasing of projects are subject to change, particularly due to potential unforeseen risks arising from an uncertain global economic climate. Furthermore, as the T5 development is likely to be a one-off exceptional project over the medium term, overall industry demand could eventually moderate after this period.

In view of the above, given the total construction demand in Singapore is expected to remain strong in 2025, reflecting a positive outlook for the construction industry, we consider it would provide a favourable market condition for the Group to develop its business. Having said that, based on our review of the Group's financial performance for FY2023, FY2024, and 6M2025, we note the following: the Group recorded a revenue decline in FY2024, followed by a revenue increase in 6M2025, while its gross profit margin fluctuated over the period. Furthermore, the Group generated net profit from continuing operations in FY2023, FY2024 and 6M2025. We consider that the Group's ability to capitalize on the potential industry prospects remains uncertain. This will depend on the Group's capability to sustain competitiveness in securing new contracts and to mitigate unforeseen risks associated with the global economic climate.

2. Information on the Offeror and intentions of the Offeror regarding the Group

Information of the Offeror

The Offeror is an investment holding company controlled by Mr. Zheng and his spouse. Mr. Zheng has over 30 years of extensive corporate strategic development and operational management experience. Mr. Zheng is currently the founder and controlling owner of Shenzhen Huahan Technology Holdings Co., Limited, the flagship company of a group of enterprises operating under the Huahan (華瀚) brand. In 2011, Mr. Zheng founded Shenzhen Huahan Technology Holdings Co., Limited, and then successively Huahan Investment, Huahan Pipeline, Huahan Investment Holdings and other Huahan enterprises. To date, the Huahan enterprises operate across areas of infrastructure construction, high-technology product manufacturing, and smart digital systems, while operating multiple industrial parks in Shenzhen and other cities across the Greater Bay Area, to empower technological innovations. Details of the Offeror and Mr. Zheng are set out in the "Letter from Get Nice Securities".

Intentions of the Offeror regarding the Group

As stated in the "Letter from Get Nice Securities", it is the intention of the Offeror to continue the development of the Group's existing principal business activities. The Offeror intends to retain the existing management team to operate and manage the existing principal business of the Group. In particular, the Offeror intends to make use of the Group's design and implementation experience of serving Fortune 500 companies in combination with Mr. Zheng's access to commercial and industrial property owners and users to expand the Group's principal business in the Greater Bay Area. It is also the intention of the Offeror to leverage Mr. Zheng's supply chain resources and access to digital project management capabilities and smart devices system to provide value-added services to the Group's customers with the aim to enhance the Group's competitiveness, efficiency and profitability.

Following the close of the Offers, the Offeror will conduct a review on the operations and financial position of the Group for the purpose of formulating business plans and strategies for the Group's long term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. As at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror or its ultimate beneficial shareholders entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Offeror also intends to nominate Mr. Zheng as the new executive Director and the chairman of the Board. The proposed appointments will take effect from a date which is no earlier than the date of the Composite Document in accordance with the Takeovers Code. None of the Directors intend to resign and, save for Mr. Zheng's proposed appointment, there is no plan to propose any other changes to the Board upon the close of the Offers. Please refer to the "Letter from Get Nice Securities" for the details of the Offeror's intentions regarding the Group.

We note that Mr. Zheng has over 30 years of extensive experience in corporate strategic development and operational management. He founded Huahan enterprises, which operates across areas of infrastructure construction, high-technology product manufacturing, and smart digital systems, and operates multiple industrial parks in Shenzhen and other cities across the Greater Bay Area. Considering that the implementation of any long-term business strategy of the Group is subject to the Offeror's review of the Group's operations and financial position, we consider it uncertain whether his experience as an entrepreneur and his network in the urban underground infrastructure industry in the PRC in general are relevant to, and can substantially contribute to, the business of the Group which focuses on fitting-out services in Singapore. That said, we note that the Offeror intends to continue the development of the Group's existing principal business and to retain the existing management team to operate and manage the Group's existing business.

3. Principal terms of the Offers

The Offers are being made by Get Nice Securities for and on behalf of the Offeror in compliance with the Takeovers Code on the following terms:

The Share Offer

For each Offer Share . . . . **HK$0.066 in cash**

The Share Offer Price of HK$0.066 per Offer Share is equal to the consideration per Sale Share under the SPA. The Offer Shares to be acquired under the Share Offer shall be fully paid and free and clear of any Encumbrances together with all rights attaching thereto, including the right in respect of the Offer Shares, the record date for which falls on a date which is on or after the Completion to receive all and any dividends, distribution and other rights declared, made, distributed or paid.

As at the Latest Practicable Date, no outstanding dividend declared by the Company remains unpaid, and the Board advised that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Share Offer.

The Convertible Note Offer

For the Convertible Note . . . . **HK$12,375,000 in cash**

As at the Latest Practicable Date, the Company has outstanding Convertible Note with an aggregate principal amount of HK$25,500,000 convertible into 187,500,000 Shares.

The offer price for the Convertible Note was determined in accordance with Rule 13 of and Practice Note 6 to the Takeovers Code as the "see-through" consideration for the Convertible Note, being the maximum number of Shares which the outstanding principal amount of the Convertible Note can be converted into (being 187,500,000 Shares) multiplied by the Share Offer Price of HK$0.066 per Share, thus valuing the Convertible Note Offer at HK$12,375,000.

The Share Offer is extended to all Offer Shareholders and the Convertible Note Offer is extended to the Convertible Note Holder in accordance with the Takeovers Code. The Offers are unconditional in all aspects when being made, and will not be conditional upon any minimum level of acceptances being received or any other conditions.

As noted from the "Letter from the Board", the Company emphasized that any Convertible Note Offer made shall not be made or construed to be prejudicial to the Company's claims and/or counterclaims in any legal actions and procedures against the Convertible Note Holder. The Company filed a writ of summons with the High Court of Hong Kong Special Administrative Region against the Convertible Note Holder on 27 January 2025 for, among others, misrepresentation and breach of the representations and warranties under the share purchase agreement relating to the Company's acquisition of equity interests in the Previous Subsidiary. As disclosed in the Company's announcement dated 27 June 2025, the Company received a writ of summons dated 31 March 2025 from the Convertible Note Holder relating to the same subject matter. As at the Latest Practicable Date, the Company is still pursuing its claim against the Convertible Note Holder and plans to apply for an order to consolidate the Court actions as the two writs relate to the same subject matter. To protect the integrity of the Court proceedings and the interest of the Shareholders as a whole, the Company will not accept or register the transfer or conversion of any part of the Convertible Note for as long as the Court proceedings are ongoing. Please refer to the "Letter from the Board" and the Company's various announcements for details.

4. Analysis on the Share Offer Price

Comparison of value of the Share Offer Price

The Share Offer Price of HK$0.066 per Offer Share represents:

(i) a discount of 76% to the closing price of HK$0.275 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 43.1% to the closing price of HK$0.116 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 31.7% to the average closing price of HK$0.097 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 consecutive trading days immediately prior to and including the Last Trading Day;

(iv) a discount of approximately 25.0% to the average closing price of approximately HK$0.088 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;

(v) a discount of approximately 19.5% to the average closing price of approximately HK$0.082 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;

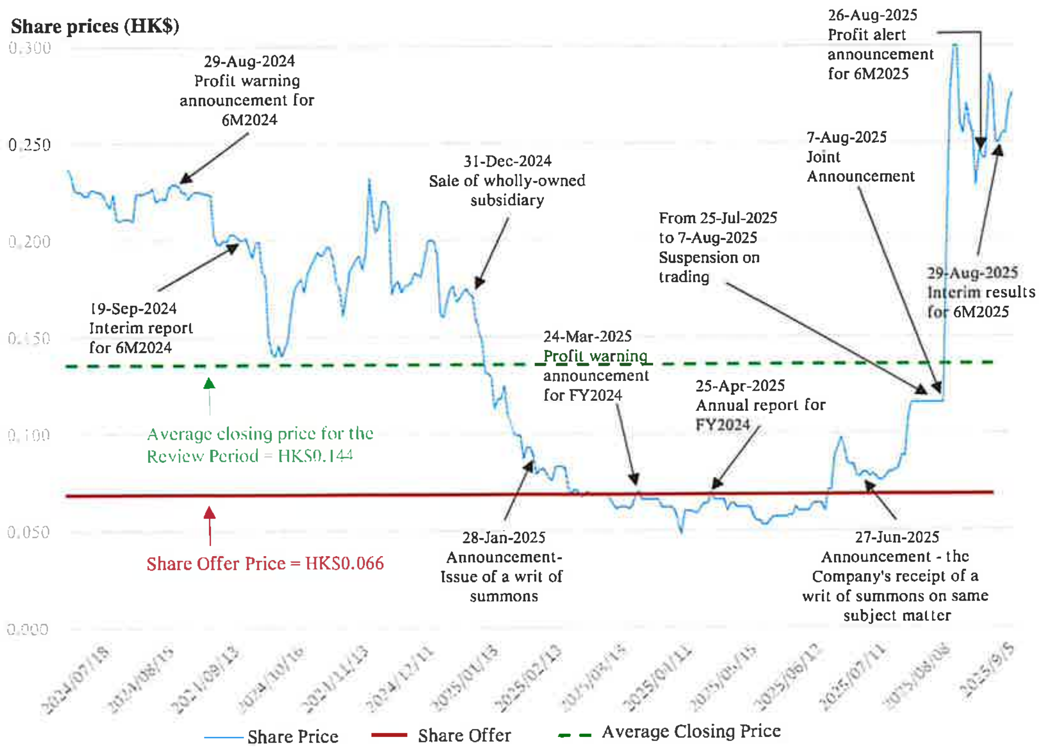
(vi) a discount of approximately 35.3% to the average closing price of approximately HK$0.102 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 consecutive trading days immediately prior to and including the Last Trading Day;

(vii) a premium of approximately 32% over the audited consolidated net asset value of the Company attributable to the Shareholders of approximately HK$0.050 per Share as at 31 December 2024, calculated by dividing the audited consolidated net asset value of the Company attributable to the Shareholders of approximately S$8,218,000 (equivalent to approximately HK$50,252,000) as at 31 December 2024 by 1,000,000,000 Shares in issue as at the Latest Practicable Date; and

(viii) a discount of 7.04% to the unaudited consolidated net asset value of the Company attributable to the Shareholders of approximately HK$0.071 per Share as at 30 June 2025, calculated by dividing the unaudited consolidated net asset value of the Company attributable to the Shareholders of approximately S$11,705,000 (equivalent to approximately HK$71,401,000) as at 30 June 2025 by 1,000,000,000 Shares in issue as at the Latest Practicable Date.

Historical price performance of the Shares

We have reviewed and analysed the closing prices of Shares (i) for approximately 12 months immediately prior to the Last Trading Day commencing on 2 July 2024 and up to and including the Last Trading Day (the "**Pre-Announcement Review Period**"); and (ii) from the day immediately following the date of the Joint Announcement up to and including the Latest Practicable Date (the "**Post-Announcement Review Period**" together with the Pre-Announcement Review Period, the "**Review Period**") below:



Source: Website of the Stock Exchange

Note: Trading in the Shares was halted from 25 July 2025 to 7 August 2025 (both days inclusive) pending the release of the Joint Announcement.

Pre-Announcement Review Period

As shown in the above chart, during the Pre-Announcement Review Period, the closing prices of the Shares significantly fluctuated and generally showed a downward trend, with a total decline of approximately 51.1%.

From 2 July 2024 to 14 November 2024, the Share price experienced a rapid drop followed by a rebound to nearly the previous high level. It dropped from HK$0.237 per Share, the highest price of the entire Pre-Announcement Review Period, on 2 July 2024 to HK$0.14 on 3 and 7 October 2024, then quickly rallied to HK$0.232 per Share on 14 November 2024. During this period, the Company (i) issued a profit warning announcement dated 29 August 2024 in relation to its interim results for the six months ended 30 June 2024; and (ii) published the interim report for FY2024 on 19 September 2024.

Subsequently, the Share price saw a substantial decline, dropping approximately 79.3% from HK$0.232 per Share on 14 November 2024 to HK$0.048 per Share (the lowest price of the Pre-Announcement Review Period) on 9 April 2025, then rebounded amid volatility, recovering to HK$0.116 per Share on 24 July 2025 (being the Last Trading Day). The Share Offer Price of HK$0.066 per Share represents a discount of approximately 50.9% to the average daily closing price of Shares of HK$0.134 during the Pre-Announcement Review Period. During this period, the Company (i) disclosed an inside information announcement dated 31 December 2024 regarding sale of a wholly-owned subsidiary which held 51% equity interest of the Previous Subsidiary; (ii) disclosed an inside information announcement dated 28 January 2025 regarding issue of a writ of summons in relation to the Previous Subsidiary disposed in December 2024; (iii) issued a profit warning announcement dated 24 March 2025 in relation to its annual results for the twelve months ended 31 December 2024; (iv) published the 2024 Annual Report on 25 April 2025; and (v) disclosed an inside information announcement dated 27 June 2025 regarding the Company's receipt of a writ of summons on same subject matters.

We have enquired with the Management and were advised that save for the publication of announcements and financial statements of the Company as described above, the Directors were not aware of any specific reasons which may have an impact on the fluctuations of Share prices during the Pre-Announcement Review Period.

Post-Announcement Review Period

After the publication of the Joint Announcement, the closing price of the Shares has further surged sharply to HK$0.300 per Share on 12 and 13 August 2025. The closing prices of the Shares during the Post-Announcement Review Period were substantially higher than the Share Offer Price as to a range of approximately 207.6% to 354.6%. We have enquired into the possible reasons attributed to the notable surge of closing price of Shares subsequently after the publication of the Joint Announcement and as confirmed by the Directors, save for the information as set out in the Joint Announcement, the Directors were not aware of any matters which might have a material effect on the price of Shares. We consider that such increase in the price of Shares after the release of the Joint Announcement may be attributable to market reactions to the Offers and there is no assurance that the closing price of Shares will rise or continue to maintain at a level equal to or above the Share Offer Price after the Latest Practicable Date and/or after closing of the Offers.

Review Period

During the Review Period, the closing price of Shares ranged from the lowest of HK$0.048 per Share recorded on 9 April 2025 to the highest of HK$0.300 per Share recorded on 12 and 13 August 2025. The average daily closing price of Shares during the Review Period was HK$0.144 per Share.

The Share Offer Price of HK$0.066 was below the closing price of the Shares on 219 days out of 283 trading days during the Review Period, representing approximately 77.4% of the total days during the Review Period. The Share Offer Price represents (i) a premium of approximately 37.5% to the lowest closing price of Shares during the Review Period; (ii) a discount of 78% to the highest closing price of Shares during the Review Period; and (iii) a discount of approximately 54.1% to the average daily closing price of Shares during the Review Period.

Given the above and having considered the Share Offer Price (i) represents a discount of approximately 54.1% to the average daily closing price of the Shares of HK$0.144 during the Review Period; (ii) was at a price level lower than the daily closing price of the Shares for 219 days out of 283 trading days during the Review Period, representing approximately 77.4% of the total trading days during the period; (iii) represents substantial discounts of approximately 43.1%, 31.7% 25.0%, 19.5% and 35.3% to the closing prices of the Shares for the Last Trading Day, 5, 10, 30, 180 consecutive trading days immediately prior to and including the Last Trading Day; (iv) represents a substantial discount of 76% to the closing price of the Shares of HK$0.275 as at the Latest Practicable Date, we are of the view that the Share Offer Price is unattractive and therefore not fair and reasonable.

Historical trading liquidity of the Shares

The following table sets out the historical monthly trading liquidity of the Shares during the Review Period:

	Total trading volume *Shares*	**Number of trading days** *(Note 1)* *Days*	**Average daily trading volume** *(Note 2)* *Shares*	**Percentage of average daily trading volume to the total number of issued Shares** *(Note 3)* %	**Percentage of average daily trading volume to the total number of issued Shares held by the Offer Shareholders** *(Note 4)* %
2024					
July	12,656,000	22	575,273	0.06	0.12
August	5,104,000	22	232,000	0.02	0.05
September	13,496,000	19	710,316	0.07	0.14
October	22,216,000	21	1,057,905	0.11	0.22
November	18,008,000	21	857,524	0.09	0.18
December	10,040,000	20	502,000	0.05	0.10

	Total trading volume	Number of trading days *(Note 1)*	Average daily trading volume *(Note 2)*	Percentage of average daily trading volume to the total number of issued Shares *(Note 3)*	Percentage of average daily trading volume to the total number of issued Shares held by the Offer Shareholders *(Note 4)*
	Shares	*Days*	*Shares*	*%*	*%*
2025					
January	13,816,000	19	727,158	0.07	0.15
February	8,064,000	20	403,200	0.04	0.08
March	18,872,000	21	898,667	0.09	0.18
April	6,208,000	19	326,737	0.03	0.07
May	3,120,000	20	156,000	0.02	0.03
June	22,704,000	21	1,081,143	0.11	0.22
July	70,032,000	17	4,119,529	0.41	0.84
August *(Note 5)*	271,158,000	16	16,947,375	1.69	3.46
September (Up to the Latest Practicable Date)	37,610,000	5	7,522,000	0.75	1.54
Review Period	533,104,000	283	1,883,760	0.19	0.38

Source: Website of the Stock Exchange

Notes:

1. Number of trading days of the Shares in the month/period represents number of trading days during the month/period which excludes any trading day on which trading of the Shares on the Stock Exchange was suspended for the whole trading day.

2. Average daily trading volume of the Shares for the month/period is calculated by dividing the total trading volume of the Shares for the month/period by the number of trading days.

3. The calculation is based on the average daily trading volume of the Shares for the month/period divided by the number of the Shares in issue at the end of each month or as at the Latest Practicable Date.

4. The calculation is based on the average daily trading volume of the Shares for the month/period divided by the number of the Shares in issue held by the Offer Shareholders at the end of each month or as at the Latest Practicable Date.

5. Trading in the Shares was halted from 25 July 2025 to 7 August 2025 (both days inclusive) for the release of the Joint Announcement.

During the Review Period, the average daily trading volume was (i) below 0.5% of the total number of issued Shares held by the Offer Shareholders as at the Latest Practicable Date (except for July 2025, August 2025 and September 2025, being approximately 0.8%, 3.5% and 1.5% respectively); and (ii) below 0.5% of the total number of issued Shares as at the Latest Practicable Date (except for August 2025 and September 2025, being approximately 1.7% and 0.8%). The average daily trading volume was thin during the majority of the trading days in the Review Period.

From August 2025 (subsequent to the date of Joint Announcement) and up to the Latest Practicable Date, the total trading volume of the Shares increased significantly to over 308 million Shares with an average daily trading volume of approximately 14.7 million Shares representing about 3.0% of the number of Shares held by the Offer Shareholders. Along with the surge in average daily trading volume following the date of Joint Announcement, the closing price of Shares also surged and maintained at prices significantly higher than the Share Offer Price during the period from the date of Joint Announcement up to the Latest Practicable Date. We consider the high trading volume of the Shares following the publication of the Joint Announcement provided a better liquidity in the Shares for the Offer Shareholders to dispose of the Shares on the open market.

Comparable Companies analysis

In order to further assess the fairness and reasonableness of the Share Offer Price, we have considered the price-to-book ratio (the "**P/B Ratio**"), the price-to-sales ratio (the "**P/S Ratio**"), the price-to-earnings ratio (the "**P/E Ratio**") and dividend yield which are commonly adopted trading multiple analyses in assessing the financial valuation of a company as the data for calculating the ratios can be obtained fairly and directly from publicly available information and reflect the value of the companies determined by the open market.

Given that the Group was loss-making and no dividend was distributed for FY2024, the P/E Ratio analysis and dividend yield analysis are not applicable. Further, we note that the Group's business is inherently associated with relatively high operating costs, including materials, labor, subcontracting expenses and other administrative costs. Given that the Group's gross profit margin fluctuated significantly, which were approximately 12.6%, 26.7%, 22.5%, and 19.3% for FY2023, FY2024, 6M2024, and 6M2025 respectively, driven by factors including project nature, project progress, and subcontracting costs etc, we believe the P/S Ratio analysis, which does not indicate the profitability of the Group, is not a suitable valuation benchmark for assessing the fairness and reasonableness of the Share Offer.

In light of the aforesaid, we have retained the P/B Ratio analysis as an additional reference for Offer Shareholders. The assets of the Group as at 30 June 2025 mainly included contract assets, trade and other receivables, deposits and prepayments, pledged deposits, cash and cash equivalents, property, plant and equipment, and right-of-use assets relating to the fitting-out business. We have also reviewed the latest published financial statements of the Comparable Companies (as defined below) and noted that the composition of their assets were similar to that of the Group, mainly comprised contract assets, trade and other receivables, deposits and prepayments, pledged deposits, cash and cash equivalents, property, plant and equipment, and right-of-use assets relating to the fitting-out business relating to their businesses. Hence, we consider that the P/B Ratio analysis is also suitable as it reflects how the market values those assets of the Group and the Comparable Companies, of which a majority portion were attributable to fitting-out business.

As stated in the section headed "1. Information of the Group" in this letter, the Group is an interior fitting-out services provider in Singapore. As such, we have identified a list of comparable companies that meet the following criteria: (i) are listed on the Stock Exchange with a market capitalisation not exceeding HK$1,000 million (a range we consider reasonable for small-cap listed companies such as the Group); (ii) principally engage in fitting-out services; (iii) generated not less than 75% of their total revenue from fitting-out services in their latest financial year; and (iv) were not in a net liabilities position in their latest financial statements.

Based on the above criteria, we have identified six comparable companies (the "**Comparable Companies**") which represent an exhaustive list of comparable companies identified on the website of the Stock Exchange. We note Sundart Holdings Limited (1568.HK), which provides fitting-out services in Hong Kong, Macau, the PRC and Singapore. Approximately 23% of its revenue for the latest audited financial year was derived from Singapore. However, we excluded this company because its market capitalisation was approximately HK$1,554 million as at the Latest Practicable Date, which did not meet our selection criteria. Given that the Comparable Companies engage in the same core fitting-out business as the Group and considering the lack of other Hong Kong listed companies with Singapore operations that satisfy our criteria, we consider the Comparable Companies a fair and meaningful basis for comparison.

Although the Comparable Companies may vary in market capitalisation, financial performance and position and capital structure as compared with the Company, the comparable analysis is to meant to cover a list of comparable companies listed on the Stock Exchange and form a reasonable sample size to reflect the value of comparable companies in the same industry and we believe that the foresaid selection criteria in general can serve as a fair and reasonable comparison.

The following table sets out the details of the Comparable Companies:

	Company name (Stock code)	**Principal activities**	**Percentage of revenue generated from fitting-out business** *(%)*	**Market capitalisation as at the Latest Practicable Date** *(HK$ million) (Note 1)*	**Latest available reported net asset value** *(HK$ million) (Note 2)*	**P/B Ratio** *(times) (Note 2)*
1	Superland Group Holdings Limited (368.HK)	The group is an established contractor based in Hong Kong providing fitting-out services and repair and maintenance services.	99	252.00	210.92	1.19
2	AB Builders Group Limited (1615.HK)	The group is mainly engaged in provision of construction services including fitting-out works and structural works, and sales of air purification unit/system in Macau and Hong Kong.	100	146.40	189.19	0.77

	Company name (Stock code)	Principal activities	Percentage of revenue generated from fitting-out business *(%)*	Market capitalisation as at the Latest Practicable Date *(HK$ million)* *(Note 1)*	Latest available reported net asset value *(HK$ million)* *(Note 2)*	P/B Ratio *(times)* *(Note 2)*
3	Lai Si Enterprise Holding Limited (2266.HK)	The group mainly provides services of fitting-out works as an integrated fitting-out contractor; construction works as a main contractor; and repair and maintenance works in Macau and Hong Kong.	93	106.00	126.24	0.84
4	Coolpoint Innonism Holding Limited (8040.HK)	The group principally engaged in the provision of fitting-out services, renovation services and Nano-AM application services in Hong Kong.	78	100.30	42.72	2.35
5	Aeso Holdings limited (8341.HK)	The group is principally engaged in the provision of fitting-out work for construction of newly built commercial premises and residential developments and renovation (including alteration and addition) work for existing commercial premises in Hong Kong.	87	11.92	51.74	0.23
6	Sanbase Corporation limited (8501.HK)	The group is an interior fit-out solutions provider focusing on providing services to clients whose offices are predominately situated in Grade A offices in Hong Kong and the PRC.	85	97.00	140.01	0.69
					Maximum	2.35
					Minimum	0.23
					Average	1.01
					Median	0.81

	Implied market capitalisation *(HK$ million)* *(Note 3)*	Latest available reported net asset value *(HK$ million)*	Implied P/B Ratio *(times)* *(Note 4)*
The Company	**66.00**	**71.40**	**0.92**

Sources: Website of the Stock Exchange and the financial reports of the Comparable Companies

Notes:

1. The market capitalisation of the Comparable Companies was calculated based on the closing share prices and the total issued shares of the Comparable Companies as at the Latest Practicable Date.

2. The P/B Ratio was based on the market capitalisation of the Comparable Companies as at the Latest Practicable Date, divided by the net asset value of the Comparable Companies as stated in their latest financial reports.

3. The implied market capitalisation of the Company is calculated based on the Share Offer Price of HK$0.066 and the number of issued Shares as at the Latest Practicable Date (i.e. 1,000,000,000 Shares).

4. The implied P/B Ratio under the Share Offer is calculated as the implied market capitalisation divided by the net asset value of the Company as at 30 June 2025 extracted from the 2025 IR.

5. For illustration purposes, the translation of MOP to HK$ is based on the exchange rate of MOP1 to HK$0.97 as at the Latest Practicable Date.

As set out in above table, the P/B Ratios of the Comparable Companies ranged from approximately 0.23 times to approximately 2.35 times with an average of approximately 1.01 times and median of approximately 0.81 times. The Company's implied P/B Ratio under the Share Offer ("**Implied P/B Ratio**") of approximately 0.92 times is slightly lower than the average P/B Ratio of the Comparable Companies, and the Share Offer Price represents a slight discount of approximately 7.04% to the unaudited net asset value per Share as at 30 June 2025. Given that the Implied P/B Ratio falls within the range of the Comparable Companies and is higher than their median P/B Ratio, we consider the Share Offer Price to be in the interest of the Offer Shareholders. Nevertheless, we are of the view that, in assessing whether the Share Offer is fair and reasonable as a whole, not only the P/B Ratio comparison but also other factors including the Group's price performance and trading liquidity as well as the Group's operation and business outlook (as analysed above) should also be considered.

5. Analysis on the Convertible Note Offer

We note that the offer price for the Convertible Note was determined in accordance with Rule 13 of and Practice Note 6 to the Takeovers Code as the "see-through" consideration for the Convertible Note, being the number of Shares which the Convertible Note are convertible into multiplied by the Share Offer Price.

As at the Latest Practicable Date, the Company had outstanding Convertible Note in the aggregate principal amount of HK$25,500,000 and convertible into 187,500,000 new Shares. The offer price for the Convertible Note Offer is HK$12,375,000 in cash.

Given (i) our view that the Share Offer Price is not fair and reasonable (based on the above analysis, including the share trading analysis which takes into account that the Share Offer Price (a) represents a substantial discount to the average daily closing price during the Review Period and the closing price as at the Latest Practicable Date; and (b) was lower than the daily closing price of the Shares for approximately 77.4% of the total trading days during the Review Period), such that the "see-through" consideration for the Convertible Note (which is based on the Share Offer Price) is also considered not fair and reasonable; and (ii) the total consideration for the Convertible Note Offer represents a discount of approximately 51.5% to the redemption amount of the Convertible Note upon its maturity, we consider that the offer price for the Convertible Note is not fair and reasonable and recommend the Independent Board Committee to advise the Convertible Note Holder not to accept the Convertible Note Offer.

OPINION AND RECOMMENDATION

The Share Offer

Having considered on an overall basis the principal factors and reasons, in particular the following:

(i) the Company's Implied P/B Ratio of approximately 0.92 times is slightly lower than the average P/B Ratio of the Comparable Companies, and the Share Offer Price represents a slight discount of approximately 7.04% to the unaudited net asset value per Share as at 30 June 2025. Given that the Implied P/B Ratio falls within the range of the Comparable Companies and is higher than their median P/B Ratio, we consider the Share Offer Price is in the interest of the Offer Shareholders. Nevertheless, we are of the view that, in assessing whether the terms of the Share Offer are fair and reasonable as a whole, not only the P/B Ratio comparison but also other factors including the price performance and trading liquidity as well as the Group's operation and business outlook should also be considered;

(ii) the Share Offer Price is unattractive, given the Share Offer Price (i) represents a discount of approximately 54.1% to the average daily closing price of the Shares of HK$0.144 during the Review Period; (ii) was at a price level lower than the daily closing price of the Shares for 219 days out of 283 trading days during the Review Period, representing approximately 77.4% of the total trading days during the period; (iii) represents discounts of approximately 43.1%, 31.7% 25.0%, 19.5% and 35.3% to the closing prices of the Shares for the Last Trading Day, 5, 10, 30, 180 consecutive trading days immediately prior to and including the Last Trading Day; (iv) represents a substantial discount of 76% to the closing price of the Shares of HK$0.275 as at the Latest Practicable Date; therefore, the Share Offer Price is not fair and reasonable from the trading prices analysis;

(iii) as projected by the BCA, the total construction demand is expected to remain strong in 2025, indicating a positive outlook for the construction industry in Singapore, which would provide a favourable market condition for the Group to develop its business, details of which are set out in the sub-paragraph headed "Prospects and outlook of the Group" above. Based on our review of the Group's financial performance for FY2023, FY2024, and 6M2025, we note the following: the Group recorded a revenue decline in FY2024, followed by a revenue increase in 6M2025, while its gross profit margin fluctuated over the period. Furthermore, the Group generated net profit from continuing operations in FY2023, FY2024 and 6M2025. We consider that the Group's ability to capitalize on the potential industry prospects remains uncertain. This will depend on the Group's capability to sustain competitiveness in securing new contracts and to mitigate unforeseen risks associated with the global economic climate;

(iv) notwithstanding the average daily trading volume of the Shares was thin during majority of the trading days in the Review Period, it is noted that the total trading volume of the Shares amounted to over 308 million Shares with an average daily trading volume of approximately 14.7 million Shares representing about 3.0% of the number of Shares held by the Offer Shareholders following the publication of the Joint Announcement, we consider the high trading volume of the Shares provided a better liquidity of the Shares for the Offer Shareholders to dispose of the Shares on the open market;

we are of the view that the Share Offer Price is not attractive, rendering the Share Offer not fair and reasonable and we recommend the Independent Board Committee to advise the Offer Shareholders not to accept the Share Offer.

Nevertheless, the Offer Shareholders should closely monitor the market price and liquidity of the Shares during the Offer Period and carefully consider the relevant risks and uncertainties based on their individual risk preference and tolerance level. In any event, the Offer Shareholders should note that there is no guarantee that the prevailing level of the Share price and/or trading volume will sustain during and after the Offer Period.

The Convertible Note Offer

Given (i) our view that the Share Offer Price is not fair and reasonable (based on the above analysis, including the share trading analysis which takes into account that the Share Offer Price (a) represents a substantial discount to the average daily closing price during the Review Period and the closing price as at the Latest Practicable Date; and (b) was lower than the daily closing price of the Shares for approximately 77.4% of the total trading days during the Review Period), such that the "see-through" consideration for each Convertible Note (which is based on the Share Offer Price) is also considered not fair and not reasonable; and (ii) the total consideration for the Convertible Note Offer represent a discount of approximately 51.5% to the redemption amount of the Convertible Note upon its maturity, we are of the view that the Convertible Note Offer is not fair and not reasonable as far as the Convertible Note Holder is concerned. Accordingly, we recommend the Independent Board Committee to advise the Convertible Note Holder not to accept the Convertible Note Offer.

Offer Shareholders who wish to realise part or all their investments in the Company are reminded to closely monitor the trading price and liquidity of the Shares during the Offer Period and should, having regard to their own circumstances, consider selling their Shares in the open market instead of accepting the Share Offer, respectively, if the net proceeds obtained from such disposal of the Shares after deducting all transaction costs would be higher than the net proceeds from accepting the Share Offer. Further, the Convertible Note Holder should be aware that, as set out in the Letter from the Board, the Company will not accept or register the transfer or conversion of any part of the Convertible Note for as long as the Court proceedings are ongoing.

As each individual Offer Shareholder and the Convertible Note Holder would have different investment objectives and/or circumstances, we would recommend the Offer Shareholders and the Convertible Note Holder who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser.

Yours faithfully,
For and on behalf of
WRISE CAPITAL LIMITED

Fanny Lee
Executive Director

Ms. Fanny Lee is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of WRise Capital Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO and has over 25 years of experience in corporate finance industry.