



16 June 2026

To: *The Independent Board Committee of
Rimbaco Group Global Limited*

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
CMB INTERNATIONAL CAPITAL LIMITED AND
CEB INTERNATIONAL CAPITAL CORPORATION LIMITED
FOR AND ON BEHALF OF AUREOLE HALO LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
RIMBACO GROUP GLOBAL LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY
AUREOLE HALO LIMITED, ITS ULTIMATE BENEFICIAL OWNERS AND
PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in the Composite Document dated 16 June 2026 jointly issued by the Company and the Offeror to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context requires otherwise.

On 10 April 2026 (after trading hours), the Vendor as vendor and the Offeror as purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell, and the Offeror agreed to purchase, the Sale Shares, being 945,000,000 Shares, representing 75% of the total issued share capital of the Company as at the Latest Practicable Date, for a total cash Consideration of HK\$157,500,000, equivalent to approximately HK\$0.167 per Sale Share.

Completion took place on the Completion Date, being 24 April 2026. Immediately upon Completion, the Vendor ceased to hold any interest in the Company.

THE INDEPENDENT BOARD COMMITTEE

An Independent Board Committee, comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Ng Kok Seng, Mr. Wong Chi Wai and Ms. Yeo Chew Yen Mary, has been established in accordance with Rules 2.1 and 2.8 of the Takeovers Code to advise and give a recommendation to the Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

We have been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, and our opinion herein is solely for the assistance of the Independent Board Committee in connection with its consideration of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Our appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

OUR INDEPENDENCE

As at the Latest Practicable Date, we were not connected with the Company, the Offeror or any of their respective substantial shareholders (as applicable), directors or chief executives (as applicable), or any of their respective associates or parties acting in concert with any of them, and we were not in the same group as the financial or other professional adviser (including a stockbroker) to the Offeror and the Group, we do not and did not have, a significant connection, financial or otherwise with either the Offeror or the Company, or parties acting in concert with any of them, of a kind reasonably likely to create, or to create the perception of, a conflict of interest or reasonably likely to affect the objectivity of our advice. Accordingly, we are considered suitable to give independent advice to the Independent Board Committee in respect of the Offer in compliance with Rule 2.6 of the Takeovers Code.

In the last two years, save for this appointment as the Independent Financial Adviser in respect of the Offer, we have not acted as any financial adviser role to the Company and the Offeror.

Apart from the normal professional fees paid to us in relation to the current appointment as the Independent Financial Adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Company, the Offeror or other parties that could reasonably be regarded as relevant to our independence. The aggregate professional fees paid to/to be paid to us do not make up a significant portion of our revenue during the relevant period which would affect our independence. Accordingly, we consider that we are independent to act as the Independent Financial Adviser in respect of the Offer.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee, we have relied on (i) the Company's annual report for the year ended 31 October 2025 (the "**2025 Annual Report**"); (ii) the Company's interim results announcement for the six months period ended 30 April 2026 (the "**2026 Interim Results Announcement**"); (iii) the statements, information, opinions and representations contained or referred to in the Composite Document; and (iv) the information and representations as provided to us by the Directors, the management of the Company (the "**Management**") and the Offeror (where applicable). We have assumed that all information and representations that have been provided by the Directors, the Management and the Offeror (where applicable), for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date, and should there be any material changes to our opinion after the Latest Practicable Date, Shareholders would be notified as soon as possible.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors and the Offeror (where applicable) 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 withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, the Management and the Offeror (where applicable), which have been provided to us. Our opinion is based on the Directors', the Management's and the Offeror's representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Offer.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than those relating to the Offeror), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statements in the Composite Document misleading.

The sole director of the Offeror and all of the ultimate beneficial owners of the Offeror accept full responsibility for the accuracy of the information contained in the Composite Document (other than those relating to the Vendor and the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the Directors in their capacity as such and directors of Vendor in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statements in the Composite Document misleading.

We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Composite Document, save and except for this letter of advice. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information, opinions, or representations given or made by or on behalf of the Company or the Offeror, nor conducted any independent in-depth investigation into the business and affairs of the Company, the Offeror or their respective subsidiaries or associates (if applicable), nor have we considered the taxation implication on the Group or the Shareholders as a result of the Offer. The Company has been separately advised by its own professional advisers with respect to the Offer and the preparation of the Composite Document (other than this letter).

We have assumed that the Offer will be consummated in accordance with the terms and conditions set forth in the Composite Document without any waiver, amendment, addition or delay of any terms or conditions. We have assumed that no delay, limitation, condition or restriction will be imposed in connection with the Offer that would have a material adverse effect on the contemplated benefits expected to be derived from the Offer. In addition, our opinion is necessarily based on the financial, market, economic, industry-specific and other conditions as they existed on, and the information made available to us as at the Latest Practicable Date. The Shareholders will be notified of any material changes (including changes to our opinions, advices and recommendations) as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

In the event of inconsistency, the English text of this letter shall prevail over the Chinese translation of this letter.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in relation to the Offer, we have taken into account the following principal factors and reasons:

1. Information of the Group

1.1 Background information of the Group

The Company was incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding. The Group is principally engaged in the provision of general contractor services under the building construction sector in Malaysia. Founded in 1985, the Group has been a Malaysia-based building construction contractor focusing on the provision of building construction services for (i) factories, including low-rise processing facilities and manufacturing plants; and (ii) institutional, commercial and/or residential buildings such as private hospitals, hotels, shopping malls, high-rise residential buildings and commercial/residential complex. The Group also undertakes small-scale ancillary construction works, including but not limited to renovation works, repair works and electrical works. Its target customers

primarily include main contractors of infrastructure and renovation works; property developers of hospitals, hotels, shopping malls and residential buildings; and factory owners of low-rise processing facilities and manufacturing plants.

1.2 Financial information of the Group

Set out below is a summary of the audited financial information of the Group for each of the financial year ended 31 October 2025 and 2024 as extracted from the 2025 Annual Report and unaudited financial information of the Group for each of the six months period ended 30 April 2026 and 2025 as extracted from the 2026 Interim Results Announcement.

	For the six months period ended		For the financial year ended	
	30 April		31 October	
	2026	2025	2025	2024
	RM'000	RM'000	RM'000	RM'000
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	182,676	121,335	259,932	289,184
– Factory projects	121,170	73,266	141,519	155,152
– Institutional, commercial and/or residential projects	22,155	14,326	40,169	48,084
– Infrastructure projects	35,644	29,746	72,396	84,170
– Others	3,707	3,997	5,848	1,778
Profit/(loss) before tax	20,605	4,508	6,849	(754)
Net profit/(loss) for the year/period attributable to equity holders of the Company	15,753	3,163	(1,447)	(1,552)
	As at	As at	As at	
	30 April	31 October	31 October	
	2026	2025	2024	
	RM'000	RM'000	RM'000	
	(unaudited)	(audited)	(audited)	
Current assets	191,998	202,012	260,842	
Current liabilities	93,205	115,325	139,750	
Non-current assets	25,331	38,886	31,638	
Non-current liabilities	929	929	1,307	
Net assets	123,195	124,644	151,423	

The Group recorded a decrease in consolidated revenue of approximately RM29.3 million, or approximately 10.1%, from approximately RM289.2 million in the financial year ended 31 October 2024 to approximately RM259.9 million in the financial year ended 31 October 2025. The decrease was mainly attributable to decrease in revenue from each of the factory projects, institutional, commercial and/or residential projects and infrastructure projects (due to fewer projects in progress/completed in the year ended 31 October 2025 as compared to the year ended 31 October 2024), partly offset by increase in revenue from other projects.

The Group's revenue increased by approximately RM61.4 million, or 50.6%, from approximately RM121.3 million for the six months period ended 30 April 2025 to approximately RM182.7 million for the six months period ended 30 April 2026. Such increase in revenue was mainly due to completion of a fast track factory project within the six months period ended 30 April 2026.

The Group recorded a profit before tax of approximately RM6.8 million in the financial year ended 31 October 2025 as compared to a loss before tax of approximately RM754,000 in the financial year ended 31 October 2024. The turnaround from loss to profit was mainly attributable to the improvement of gross profit and gross profit margin (mainly contributed by a completed factory project in the first half of financial year ended 31 October 2025 at lower total cost than estimated and a new factory project awarded during the financial year ended 31 October 2025, both of which have a higher gross profit margin than the other projects) despite decrease in revenue.

The Group reported a profit before tax of approximately RM20.6 million for the six months period ended 30 April 2026, representing an increase of approximately RM16.1 million or 357.8% as compared with profit before tax of approximately RM4.5 million for the six months period ended 30 April 2025, mainly due to completion of a fact track factory project with higher gross profit margin than the other projects which leads to corresponding increase in revenue and gross profit during the six months period ended 30 April 2026.

The Group recorded a net loss of approximately RM1.4 million in the financial year ended 31 October 2025 as compared to a net loss of approximately RM1.6 million in the financial year ended 31 October 2024. The decrease in net loss of approximately 12.5% was mainly attributable to the improvement of gross profit and gross profit margin (mainly contributed by a completed factory project in the first half of financial year ended 31 October 2025 at lower total cost than estimated and a new factory project awarded during the financial year ended 31 October 2025, both of which have a higher gross profit margin than the other projects) despite decrease in revenue, partly offset by increase in one off income tax expense.

The Group reported a net profit of approximately RM15.8 million for the six months period ended 30 April 2026, representing an increase of approximately RM12.6 million or 393.8% as compared with net profit of approximately RM3.2 million for the six months period ended 30 April 2025, mainly due to completion of a fact track factory project with higher gross profit margin than the other projects which leads to corresponding increase in revenue and gross profit during the six months period ended 30 April 2026.

It is noted that the Group was loss making for the years ended 31 October 2025 and 2024, while profit making for the six months period ended 30 April 2026 and 2025 ("**Profit and Loss Pattern**"). We enquired the Management and understand that, throughout the life of a project, revenue is recognised proportionately over the time according to the actual cost incurred relative to the estimated total cost of the whole project. Upon completion of a project, the actual total cost of the whole project can be ascertained. In the event that the actual cost is lower than the estimated cost (due to, among others, lower sub-contractor expenses or lower material cost, lower labor cost due to completion of project ahead of scheduled deadline), the gross profit margin as well as the profit margin of such project may be higher than expected.

Besides, the major reasons for net loss in the year ended 31 October 2024 are due to the one-off substantial reduction of agreed service scope of a sizeable factory project and lower profit margin for certain new projects due to competitive pricing. On the other hand, the major reasons for net loss in the year ended 31 October 2025 are, despite a profit before tax position of approximately RM6.8 million, (i) one-off income tax expense attributable to prior year tax which has been undercharged on the Company amounting to approximately RM5.9 million; and (ii) one-off additional tax of approximately RM1.68 million for the year ended 31 October 2025. The aforementioned one-off income tax expenses have turned the Group from profit before tax position to loss after tax position.

The Management advised that the Profit and Loss Pattern is not a regular pattern and may or may not repeat again in the financial year ending 31 October 2026. The significant increase of approximately 4 times in net profit during the six months ended 30 April 2026 as compared to the six months ended 30 April 2025 after net loss for the six months period ended 30 April 2024 and net loss for two consecutive financial years ended 31 October 2024 and 2025 is a good sign to and in the interest of the Shareholders, while whether the Group will remain profit making in the year ending 31 October 2026 depends on, among other things, the progress of the Group's on going projects and the actual total cost to be incurred relative to the estimate total cost in each completed project. We understand that the profitability of each financial year depends on, other things, the gross profit margin of each project and the actual cost incurred relative to the estimate cost in each project, and we concur with the Management that the Profit and Loss Pattern is not a regular pattern and may or may not recur again in the financial year ending 31 October 2026.

The Group recorded a decrease in current assets by approximately RM58.8 million, or approximately 22.5%, from approximately RM260.8 million as at 31 October 2024 to approximately RM202.0 million as at 31 October 2025 which was mainly attributable to (i) decrease in trade receivable and other receivables due to the above mentioned decrease in revenue due to fewer projects in progress/completed and (ii) decrease in bank balances and cash. The Group's current assets decreased by around 5.0% from approximately RM202.0 million as at 31 October 2025 to approximately RM192.0 million as at 30 April 2026, mainly due to decrease in contract assets and restricted bank deposits, partly offset by increase in bank balances and cash.

The Group recorded a decrease in current liabilities by approximately RM24.5 million, or approximately 17.5%, from approximately RM139.8 million as at 31 October 2024 to approximately RM115.3 million as at 31 October 2025 which was mainly attributable to decrease in trade, bills and other payables, partly offset by increase in contract liabilities. The Group's current liabilities decreased by around 19.2% from approximately RM115.3 million as at 31 October 2025 to approximately RM93.2 million as at 30 April 2026, mainly due to decrease in contract liabilities attributable to billing of previously unbilled revenue for building construction services.

The Group's current ratio stood at approximately 2.1, 1.8 and 1.9 as at 30 April 2026, 31 October 2025 and 31 October 2024, respectively.

The Group recorded an increase in non-current assets by approximately RM7.3 million, or approximately 23.1%, from approximately RM31.6 million as at 31 October 2024 to approximately RM38.9 million as at 31 October 2025 which was mainly attributable to increase in investment properties (mainly due to addition of 13 apartments and two pieces of land partly offset by disposal of 12 apartments) partly offset by decrease in property, plant and equipment (mainly due to disposal of plant and machinery). The Group's non-current assets decreased by around 35.0% from approximately RM38.9 million as at 31 October 2025 to approximately RM25.3 million as at 30 April 2026 mainly due to disposal of two pieces of land announced on 18 November 2025.

The Group recorded decrease in non-current liabilities by approximately RM0.4 million, or approximately 30.8%, from approximately RM1.3 million as at 31 October 2024 to approximately RM929,000 as at 31 October 2025 and remained approximately RM929,000 as at 30 April 2026. The decrease in non-current liabilities in 2025 was mainly attributable to decrease in lease liabilities resulting from completion of lease agreement of workers quarter near construction site upon project completion.

The net asset attributable to owners of the Company decreased by approximately RM26.8 million, or approximately 17.7%, from approximately RM151.4 million as at 31 October 2024 to approximately RM124.6 million as at 31 October 2025 which was mainly attributable to declaration and payment of a special dividend of HK\$0.037 per Share during the financial year ended 31 October 2025. The net assets attributable to owners of the Company amounted to approximately RM123.2 million as at 30 April 2026.

1.3 Prospects and outlook of the Group

Per the 2025 Annual Report, approximately 54.4%, 15.5%, 27.9% and 2.2% of the Group's revenue were derived from building construction services for (i) factory projects, (ii) institutional, commercial and/or residential projects, (iii) infrastructure projects and (iv) others, respectively.

As mentioned in the 2025 Annual Report, the construction industry in Malaysia is expected to remain stable but challenging over the near to medium term. The overall operating environment is characterised by rising material costs, labour constraints, regulatory compliance requirements, and intense competition. These factors may place pressure on profit margins and project timelines, requiring careful planning and operational discipline.

We note that in March 2026, the United Malaysia Contractors Association (the "UMCA")^(note) (<https://english.news.cn/20260324/4632730ce5654bbb75cfcaec1882bf1c.html>) said that the tension in the Middle East had triggered sharp increases in fuel prices, raising transportation, and machinery and raw material costs through the construction value chain, and pushed project expenses beyond initial budgets, squeezing margins across the sector. The UMCA added that the cost shock was already disrupting project timelines, with some developments delayed or temporarily halted.

We also note that, according to the Real Estate and Housing Developers' Association (the "REHDA") of Malaysia's^(note) latest industry survey published in March 2026 (<https://theedgemalaysia.com/node/796128>), even though Malaysia is geographically far from the Middle East, the current and expected higher energy

Note: The UMCA is a non governmental organisation established in 1949 for the purpose of fostering camaraderie among construction professionals from various states and cities in Malaysia. Although UMCA is not a governmental organisation, its members are construction professionals from various states and cities in Malaysia, who are in the Malaysian construction market and possess up-to-date market information. The information gathered and summarized by UMCA provides a meaningful reference of current market situation and short term outlook of the Malaysian construction industry.

Note: The REHDA is a non governmental organisation founded in 1970 which has a membership of over 1,500 developers across Peninsular Malaysia, who are responsible for some 80% of the total real estate built in Malaysia. Although REHDA is not a governmental organisation, its members are developers across Malaysia, which are in the Malaysian construction market and possess up-to-date market information. The information gathered and summarized by REHDA provides a meaningful reference of current market situation and short term outlook of the Malaysian construction industry.

prices, construction material costs and logistic expenses will affect development timelines and project profitability. We consider that the current and expected increase in cost and the fear for prolonged conflicts could lead to decrease in tender opportunities (including (i) factory projects, (ii) institutional, commercial and/or residential projects, (iii) infrastructure projects).

The Management advised that a lot of project tenders in private sectors (including (i) factory projects, (ii) institutional, commercial and/or residential projects, (iii) infrastructure projects) in Malaysia have been on hold due to, among others, the Middle East conflict. The decrease in tender opportunities in private sectors since 2026 leads to intense market competition among industry competitors. As the fluctuation of oil price, logistic cost and material cost could significantly affect the budget calculation of a project, and, once a project contract is signed, surge of oil price, logistic cost or material cost might have significant impact on the profit margin (or even resulting in a loss making project), we consider that the withdrawal and suspension of tenders amid negative effect and sentiment of the Middle East conflict are justifiable. Under such circumstance, we understand from the Management that the Group has taken a prudent approach and has spent more time and resources on selecting potential project and estimating budget before going for a project tender. Compared to the previous approach, the Group has been carefully looking into all aspects of a potential project and estimating and assessing the cost elasticity on every potential project amid the Middle East conflict to mitigate the risk of squeezing margin. The Group has only gone for project tender which is estimated to be profitable in the most prudent cost estimation scenario, and the Group's bidding price has increased to allow room for cost fluctuation, resulting in decrease in price competitiveness.

According to webpage in connection with the New Industrial Master Plan 2030 ("NIMP 2030") introduced in 2023 under the Ministry of investment, trade and industry of Malaysia (<https://www.nimp2030.gov.my/>). NIMP 2030 targets to, among others, (i) drive a structural shift from traditional building projects towards high-technology industrial construction. In particular, it targets to upgrade 3,000 factories into smart facilities, generating over RM5 billion in industrial construction and technology integration contracts; and (ii) push for net-zero carbon emissions which includes transformation of industrial estates into eco-industrial parks. The Group's expertise is in traditional and conventional factory construction, and the Group has no expertise and experience in building and remodelling of smart facilities. The Group may not be able to enjoy the market opportunities generated by NIMP2030.

The Group has been a Malaysia-based building construction contractor focusing on the provision of building construction services for, among others, factories, including low-rise processing facilities and manufacturing plants. The Group generated approximately 66.3%, 54.4% and 53.7% of revenue from factory projects

during the six months period ended 30 April 2026 and each of the years ended 31 October 2025 and 2024, respectively, and might benefit from NIMP2030 due to the aforementioned decrease in competitors in near term. While NIMP2030 outlines long-term structural transformations for Malaysia's manufacturing and industrial sectors, Shareholders should note that (i) the negative effect and sentiment of the Middle East conflict may still affect the execution timelines of NIMP2030 in the short run; and (ii) upon successful upgrade of smart facilities and eco-industrial parks in Malaysia on or around year 2030, smart factories and eco-industrial parks might become the new market trend going forward, the market demand for traditional and conventional factory projects, on which the Group derives over 50% of its revenue might decrease structurally and permanently. The future success of the Group may depend on whether the Offeror has business plan or strategy to develop, among others, institutional, commercial and/or residential projects or infrastructure projects.

Despite the Offeror's optimistic outlook of the future outlook for the Group's engineering, procurement, and construction (EPC) business in industrial infrastructure across Malaysia and Southeast Asia, where the Group operates, it appears that (i) the Offeror has not expressed its view on outlook on the Group's other segments (i.e. factory projects and institutional, commercial and/or residential projects), and (ii) no business plans or strategies for the future business development of the Group has been formulated by the Offeror as at the Latest Practicable Date. Shareholders should monitor future announcements to be made by the Company in connection with business plans or strategies for the future business development of the Group following a review of the business activities and assets of the Group.

2. Information of the Offeror

2.1 Background information of the Offeror and parties acting in concert with it

The Offeror is a company incorporated in the Cayman Islands with limited liability on 21 November 2017 and is principally engaged in investment holding. The Offeror is a direct wholly owned subsidiary of Cheng Tun (Singapore) Holdings Pte. Ltd, which is in turn wholly owned by Cheng Tun Group. Cheng Tun Group is indirectly wholly owned by Shenzhen Cheng Tun. Shenzhen Cheng Tun is ultimately and beneficially owned as to 70% by Mr. Yao, 20% by Ms. Yao and 10% by Mr. Chen. The sole director of the Offeror is Ms. Peng Weizhen.

Please refer to the Composite Document for further details of the background information on the Offeror.

2.2 Intention of the Offeror in relation to the Group

Following the close of the Offer, the Offeror intends that the Group will continue the principal business of the Group and will maintain the listing status of the Company. The Offeror will conduct a review of the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

2.2.1 Proposed changes to the composition of the Board

As at the Latest Practicable Date, the Board is comprised of five executive Directors, one non-executive Director, and three independent non-executive Directors. The Offeror intends to continue the employment of the existing management of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

The Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror has not identified any potential candidate to be appointed as a new director to the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Code and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

2.3 Public float and maintenance of the listing status of the Company

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer.

The Stock Exchange has stated that

- (a) if, at the close of the Offer, the Stock Exchange believes that
 - a false market exists or may exist in the trading of the Shares; or
 - an orderly market does not exist or may not exist;it will consider exercising its discretion to suspend dealings; and
- (b) if, at the close of the Offer, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:

- the Stock Exchange will add a designated market to the stock name of the Shares; or
- the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange, The sole director of the Offeror, the new directors to be appointed to the Board of the Company and the existing Directors will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, they will take appropriate steps (including but not limited to initiation of placing down) to ensure the Company's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

2.4 Our view

We note from the Composite Document that the principal businesses of the Offeror and its parent company do not directly correlate with the Group's principal business and the ultimate beneficial owners of the Offeror do not have experience in the Group's principal business. In addition, taking into account the disclosure on section 2.2 above, it appears that the Offeror had no future plan for the Group as at the Latest Practicable Date.

Having considered the above, we consider that the future direction and prospects of the Group, and whether Offeror is able to improve the Group's revenue stream and profitability in the near future amid the challenges discussed in section 1.3 above, are both currently uncertain.

3. Principal terms of the Offer

Immediately prior to Completion, none of the Offeror, its ultimate beneficial owners and parties acting in concert with any of them owned, controlled or had direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are interested in 945,000,000 Shares, representing 75% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the

Offeror, its ultimate beneficial owners and parties acting in concert with any of them). The Offer will be made to the Offer Shareholders.

3.1 The Offer

CMB International and CEB International are making, for and on behalf of the Offeror and in compliance with the Takeovers Code, the Offer on the terms set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

Offer Price for each Offer Share HK\$0.167 in cash

The Offer Price of HK\$0.167 per Offer Share is the same as the price of HK\$0.167 per Sale Share (being the Consideration of HK\$157,500,000 divided by 945,000,000 Sale Shares (rounded up to the nearest HK\$0.001)) paid by the Offeror under the Sale and Purchase Agreement. The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

The Offeror will not increase the Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

3.2 The Offer Price

The Offer is extended to all Shareholders other than the Offeror, its ultimate beneficial owners and parties acting in concert with any of them in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

3.2.1 Comparisons of value of the Offer Price

The Offer Price of HK\$0.167 per Offer Share represents:

- (a) a discount of approximately 84.5% over the closing price of HK\$1.080 per Share as quoted on the Stock Exchange on 12 June 2026, being the Latest Practicable Date;
- (b) a discount of approximately 74.3% over the closing price of HK\$0.650 per Share as quoted on the Stock Exchange on 10 April 2026, being the Last Trading Day;

- (c) a discount of approximately 74.8% over the average closing price of HK\$0.664 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a discount of approximately 72.5% over the average closing price of HK\$0.608 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a discount of approximately 63.7% over the average closing price of approximately HK\$0.460 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (f) a discount of approximately 8.74% to the Company's consolidated audited net asset value attributable to Shareholders per Share of approximately RM0.099 (equivalent to approximately HK\$0.183) as at 31 October 2025 as disclosed in the 2025 Annual Report, calculated based on (i) the Company's audited consolidated net assets attributable to Shareholders of approximately RM124,644,000 as at 31 October 2025; (ii) 1,260,000,000 issued Shares as at 31 October 2025; and (iii) the exchange rate of RM1.0:HK\$1.8454 on 31 October 2025 for illustrative purposes only; and
- (g) a discount of approximately 13.5% to the Company's consolidated unaudited net asset value attributable to Shareholders per Share of approximately RM0.098 (equivalent to approximately HK\$0.193) as at 30 April 2026 as disclosed in the 2026 Interim Results Announcement, calculated based on (i) the Company's unaudited consolidated net assets attributable to Shareholders of approximately RM123,195,000 as at 30 April 2026; (ii) 1,260,000,000 issued Shares as at 30 April 2026; and (iii) the exchange rate of RM1.0:HK\$1.9729 on 30 April 2026 for illustrative purposes only.

4. Total Value of the Offer

The Offer is made to the Offer Shareholders. As at the Latest Practicable Date, the Company has 1,260,000,000 Shares in issue. On the basis of the Offer Price of HK\$0.167 per Offer Share, the total issued share capital of the Company is valued at HK\$210,420,000.

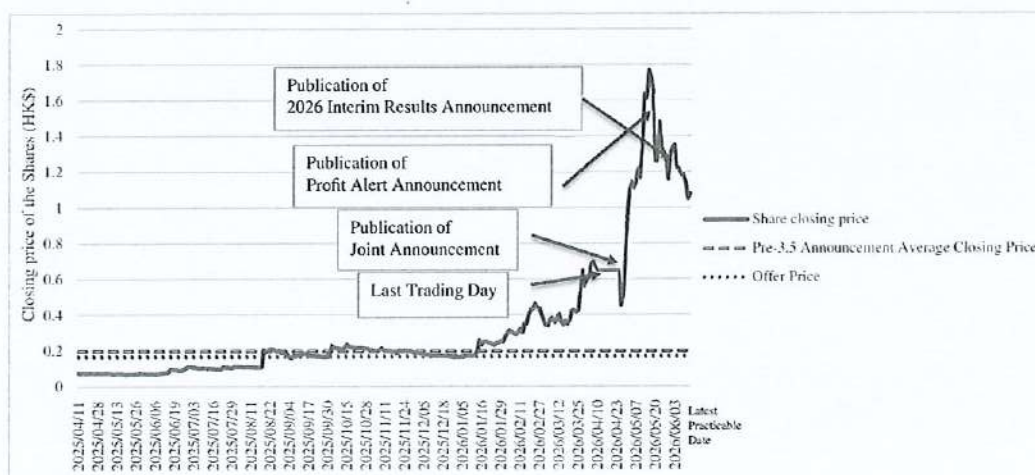
Assuming there are no further changes in the issued share capital of the Company from the Latest Practicable Date up to and including the close of the Offer, and save for the

945,000,000 Shares held by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them, a total of 315,000,000 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.167 per Offer Share, the total consideration would be HK\$52,605,000 in the event that the Offer is accepted in full.

5. Historical price and trading volume of the Shares

Set out below is a chart showing the movement of the closing prices of the Shares as quoted on the Stock Exchange from 11 April 2025 to the Last Trading Day (i.e. 10 April 2026) (the “Review Period”), being approximately one year preceding the Last Trading Day, and up to the Latest Practicable Date. We consider the Review Period is adequate to reflect the general market sentiment and illustrates the general trend and level of movement of the daily closing price of the Shares.

5.1 Historical price performance of the Shares



Source: website of the Stock Exchange

Notes:

- Trading in Shares was halted from 9:00 a.m. on 13 April 2026 and resumed at 9:00 a.m. on 27 April 2026.
- The Rule 3.5 Announcement was published on the 24 April 2026 (after trading hours).

From the beginning of the Review Period (i.e. 11 April 2025) and up to the Last Trading Day (i.e. 10 April 2026) (the “Pre-Rule 3.5 Announcement 12M Review Period”), the closing price of the Shares fluctuated roughly between HK\$0.067 and HK\$0.700, with an average closing price of approximately HK\$0.197 (the “Pre-Rule 3.5 Announcement Average Closing Price”).

The Offer Price of HK\$0.167 per Share is approximately 15.2% lower than the Pre-Rule 3.5 Announcement Average Closing Price. When we take a closer look to the recent Share price, the Offer Price of HK\$0.167 is approximately 40.2% lower than

the average closing price of approximately HK\$0.279 over the six months period prior to the Last Trading Day (i.e. 13 October 2025 to 10 April 2026 the (“**Pre-Rule 3.5 Announcement 6M Review Period**”)). The Offer Price of HK\$0.167 is lower than the closing Share price on 143 trading days out of 244 trading days (i.e. 58.6% of the trading days) during the Pre-Rule 3.5 Announcement 12M Review Period. The Offer Price of HK\$0.167 is lower than the closing Share price on 113 trading days out of 120 trading days (i.e. 94.2% of the trading days) during the Pre-Rule 3.5 Announcement 6M Review Period. The Offer Price is unattractive when compared to historical price performance during the Pre-Rule 3.5 Announcement 12M Review Period (in particular, the Pre-Rule 3.5 Announcement 6M Review Period).

Trading in the Shares was halted between 13 April 2026 to 24 April 2026 pending release of the Joint Announcement.

Following release of the Joint Announcement on 24 April 2026, the Shares resumed trading on 27 April 2026, and the Share price adjusted from HK\$0.650 on 10 April 2026 to HK\$0.455 on 27 April 2026. The reason for a dip of Share price might be due to disposal of Shares by certain Shareholders to realise gain after Share price surge from around HK\$0.4 per Share in early March 2026 to HK\$0.65 per Share on the Last Trading Day (i.e. over 50% increase within one and a half month). The Share price surged to HK\$0.98 on 30 April 2026, further increased to HK\$1.11 on 4 May 2026. The Share price continued to surge to the peak of HK\$1.77 on 15 May 2026. We enquired the Management the reasons for the surge in Share price since the Joint Announcement, and the Management advised that they are not aware of any reasons for such movements in trading price of the Shares. The Share price adjusted to HK\$1.65 on 19 May 2026, after trading hours of which the Company published a profit alert announcement regarding the six months period ended 30 April 2026 (the “**Profit Alert Announcement**”). Following publication of the Profit Alert Announcement, the Share price plunged to HK\$1.26 on 20 May 2026. We note that the trading volume on 20 May 2026 is over 10 times higher than that of 19 May 2026. We consider that the plunge instead of a surge of Share price on 20 May 2026 might be due to disposal of Shares by certain Shareholders to realise short term gain after Share price surge from HK\$0.98 on 30 April 2026 by over 60% to HK\$1.65 on 19 May 2026 in just 19 calendar days. The Share price then fluctuated between HK\$1.16 and HK\$1.48 between 21 May 2026 and 29 May 2026, and closed at HK\$1.30 on 1 June 2026, on which the Company published the 2026 Interim Results Announcement. The Share price closed at HK\$1.08 on the Latest Practicable Date. The Share price is still considerably higher than the Offer Price of HK\$0.167 following release of the Joint Announcement. The Offer Price HK\$0.167 per Offer Share also represents a discount of approximately 8.7% and 13.5% to the Company’s consolidated audited net asset value attributable to Shareholders per Share as at 31 October 2025 and 30 April 2026, respectively, indicating that the Offer Price is not fair and reasonable. In addition, the performance of the Share price following release of the Joint Announcement (in particular, the Share price of HK\$1.08 on the Latest Practicable Date is approximately 6 times higher than the Offer Price of HK\$0.167) has illustrated that the Offer Price of HK\$0.167 is unattractive.

5.2 Average daily trading volume for each month during the Review Period

The table below sets out the average daily trading volume of the Shares and the percentages of average daily trading volume to the total number of issued Shares and Shares held by public Shareholders, respectively, during the Review Period:

Period/Month	Number of trading day	Average daily trading volume of the Shares per month (note 2) (approximate)	Average daily trading volume of the Shares to the total number of issued Shares (note 2) (approximate)	Average daily trading volume of the Shares to the total number of issued Shares held by the public Shareholders (note 3) (approximate)
2025				
11 April to 30 April	12	115,000	0.01%	0.04%
May	20	145,750	0.01%	0.05%
June	21	478,095	0.04%	0.15%
July	22	173,636	0.01%	0.06%
August	21	5,895,667	0.47%	1.87%
September	22	522,955	0.04%	0.17%
October	20	1,522,000	0.12%	0.48%
November	20	402,000	0.03%	0.13%
December	21	279,762	0.02%	0.09%
2026				
January	21	1,881,190	0.15%	0.60%
February	17	4,539,118	0.36%	1.44%
March	22	3,427,048	0.27%	1.09%
1 April to 10 April (i.e. Last Trading Day)	5	8,499,800	0.67%	2.70%
27 April to 30 April	4	73,307,250	5.82%	23.27%
May	19	22,426,842	1.78%	7.12%
1 June to 12 June (i.e. Latest Practicable Date)	10	4,183,634	0.33%	1.33%

Notes:

- Trading in the Share was halted between 13 April 2026 to 24 April 2026 pending publication of the Joint Announcement and was resumed on 27 April 2026.
- Based on 1,260,000,000 Shares in issue immediately as at the Latest Practicable Date.
- Based on 945,000,000 Shares held by the public Shareholders as at the Latest Practicable Date.

During the Pre-Rule 3.5 Announcement 12M Review Period, the average daily trading volume ranged from approximately 115,000 Shares (in April 2025) to approximately 8,499,800 Shares (during 1 April 2026 to 10 April 2026), representing approximately 0.01% to 0.67% of the total number of issued Shares, and representing approximately 0.04% to 2.70% of the total number of issued Shares held by public Shareholders as at the end of the respective month/period. Following release of the Joint Announcement, it is noted that the average daily trading volume between 27 April 2026 and 30 April 2026 amounted to approximately 5.82% of the total number of issued Shares and approximately 23.27% of the total number of issued Shares held by public Shareholders. The average daily trading volume in May 2026 decreased when compared to 27 to 30 April 2026, but still amounted to approximately 1.78% of the total number of issued Shares and approximately 7.12% of the total number of issued Shares held by public Shareholders, and was higher than the trading volume during the Pre-Rule 3.5 Announcement 12M Review Period. Following release of the 2026 Interim Results Announcement on 1 June 2026, the average daily trading volume between 1 June 2026 and 12 June 2026 decreased to approximately 0.33% to the total number of issued Shares and approximately 1.33% to the total number of Shares held by public Shareholders. The average daily trading volume of the Shares was below 3.0% of the total number of issued Shares held by public Shareholders from time to time during the entire Pre-Rule 3.5 Announcement 12M Review Period indicating generally thin trading volume for the Shares. The significant increase in trading volume following release of the Joint Announcement is mainly attributable to the market reaction on the Completion and the Offer. In particular, the average daily trading volume between 1 June 2026 and 12 June 2026 decreased to approximately 1.33% to the total number of Shares held by public Shareholders when compared to approximately 2.70% to the total number of Shares held by public Shareholders between 1 April 2026 to 10 April 2026. The trading volume of the Shares in June 2026 appears to gradually resume to historical levels before the Last Trading Day in August 2025, February and March 2026. Given the above, it is possible that the trading volume of the Shares might not sustain.

It is important to note that the Offer Price of HK\$0.167 is significantly lower than the recently observed market prices of the Shares during the portion of the Review Period that follows the release of the Joint Announcement. The Offer is unattractive in comparison to prevailing market prices of the Shares if the Shareholders are able to dispose of their Shares in the open market amid the historical thin trading volume of the Shares (in particular during the Pre-Rule 3.5 Announcement 12M Review Period) such that the net proceeds obtained from such disposal of the Shares (after deducting all transaction costs) would be significantly higher than the net proceeds under the Offer.

6. Comparable companies and comparable offers

In assessing the fairness and reasonableness of the Offer, we considered performing a comparable companies analysis, and, identified, an exhaustive list of 2 comparable companies who are listed on the Stock Exchange and engaged in provision of construction and engineering related services in Malaysia, namely BGMC International Limited (“BGMC”, 1693.hk) and BBSB International Limited (“BBSB”, 8610.hk). However, having considered, (i) there are only 2 comparable companies meeting the selection criteria; (ii) the Group and BGMC are both loss making in the latest financial year, making price-to-earning ratio comparison inapplicable; (iii) BGMC is at a net liabilities position as at 28 February 2026 as disclosed in its latest interim results announcement dated 27 April 2026, making BBSB the only comparable company for price-to-book ratio comparison. Such sample size is considered insufficient.

We considered expanding the comparable selection criteria to include companies listed on Bursa Malaysia (i.e. the stock exchange in Malaysia) is not meaningful, as the market valuation on listed companies in Malaysia and Hong Kong could substantially differ, subject to, among others, regulatory environments, macro-economic factors and market sentiment and liquidity.

We also considered performing a comparable offer analysis is not meaningful. Offer price in each takeover transaction is determined based on a variety of factors, including but not limited to, the commercial negotiation between the acquirer (i.e. offeror) and the vendor (i.e. the existing controlling shareholder), the future prospect of the offeree company, the synergic effect and commercial rationale of acquisition to the acquirer (i.e. the offeror), and the financial background and liquidity of each of the offeror and the vendor.

Having considered the above, we did not perform analysis of comparable companies nor comparable offers for the purpose of assessing the fairness and reasonableness of the Offer.

RECOMMENDATION

Notwithstanding that:

- (1) the Group’s revenue decreased by around half from approximately RM475.6 million in the year ended 31 October 2022 to approximately RM259.9 million in the year ended 31 October 2025; and (ii) the Group was profitable for the years ended 31 October 2021, 2022 and 2023, while it turned to loss making since the year ended 31 October 2024;

- (2) the principal businesses of the Offeror and its parent company do not directly correlate with the Group's principal business and the ultimate beneficial owners of the Offeror do not have experience in the Group's principal business. In addition, taking into account the disclosure on section 2.2 above, it appears that the Offeror had no specific future plan for the Group as at the Latest Practicable Date;
- (3) even though Malaysia is geographically far from the Middle East, the current and expected higher energy prices, construction material costs and logistic expenses will affect development timelines and project profitability. We consider that the current and expected increase in cost and the fear for prolonged conflicts could lead to decrease in tender opportunities;
- (4) while NIMP2030 outlines long-term structural transformations for Malaysia's manufacturing and industrial sectors, Shareholders should note that (i) the negative effect and sentiment of the Middle East conflict may still affect the execution timelines of NIMP2030 in the short run; and (ii) upon successful upgrade of smart facilities and eco-industrial parks in Malaysia on or around year 2030, smart factories and eco-industrial parks might become the new market trend going forward, the market demand for traditional and conventional factory projects, on which the Group derives over 50% of its revenue might decrease structurally and permanently. The future success of the Group may depend on whether the Offeror has business plan or strategy to develop, other others, institutional, commercial and/or residential projects or infrastructure projects;
- (5) the future direction and prospects of the Group, and whether Offeror is able to improve the Group's revenue stream and profitability in the near future amid the challenges discussed in section 1.3 above, are both currently uncertain. Accordingly, whether the recent surge of Share price after the Joint Announcement is sustainable, is also uncertain;

we have also considered all the below factors as a whole, in particular that:

- (1) the group recorded a profit before tax in the year ended 31 October 2025, but resulted in net loss position only due to, among other things, the one-off income tax expenses as discussed in section 1.2 above. The Group's revenue increased by around 50.6% from approximately RM121.3 million in the six months period ended 30 April 2025 to approximately RM182.7 million in the six months period ended 30 April 2026 after net loss for two consecutive years, which is a good sign to and in the interest of the Shareholders;
- (2) the Offer Price HK\$0.167 per Offer Share represents a discount of approximately 8.7% and 13.5% to the Company's consolidated audited net asset value attributable to Shareholders per Share as at 31 October 2025 and 30 April 2026, respectively;

- (3) the Offer Price of HK\$0.167 per Share is approximately 15.2% lower than the Pre-Rule 3.5 Announcement Average Closing Price. When we take a closer look to the recent Share price, the Offer Price of HK\$0.167 is approximately 40.2% lower than the average closing price of approximately HK\$0.279 over the Pre-Rule 3.5 Announcement 6M Review Period. The Offer Price of HK\$0.167 is also lower than the closing Share price on 143 trading days out of 244 trading days (i.e. 58.6% of the trading days) during the Pre-Rule 3.5 Announcement 12M Review Period. The Offer Price of HK\$0.167 is lower than the closing Share price on 113 trading days out of 120 trading days (i.e. 94.2% of the trading days) during the Pre-Rule 3.5 Announcement 6M Review Period;
- (4) the performance of the Share price following release of the Joint Announcement as discussed on section 5.1 of this letter, in particular, the Share price of HK\$1.08 on the Latest Practicable Date is approximately 6 times higher than the Offer Price of HK\$0.167;
- (5) It is important to note that the Offer Price of HK\$0.167 is significantly lower than the recently observed market prices of the Shares during the portion of the Review Period that follows the release of the Joint Announcement. The Offer Price is not attractive in comparison to prevailing market prices of the Shares if the Shareholders are able to dispose of their Shares in the open market amid the historical thin trading volume of the Shares (in particular during the Pre-Rule 3.5 Announcement 12M Review Period) such that the net proceeds obtained from such disposal of the Shares (after deducting all transaction costs) would be significantly higher than the net proceeds under the Offer.

Despite that the prospect and future development of the Group are uncertain, we have put more weighting on the analysis of Offer Price against the recent Share price performance and the Group's fundamentals, we are of the opinion that (i) the Offer Price is unattractive and (ii) the Offer is not fair and reasonable so far as the Independent Shareholders are concerned, we would recommend the Independent Board Committee to advise the Independent Shareholders not to accept the Offer, given the above circumstances.

For those Independent Shareholders who wish to realise their investments in the Company, we recommend that they consider disposing of their Shares in the open market, rather than accepting the Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Offer. Nevertheless, the Independent Shareholders should also note that they may not be able to realise their investments in the Shares at a price higher than the Offer Price of HK\$0.167 when they are going to dispose of their partial or entire holdings. In such circumstances, the Offer might provide an exit alternative for the Independent Shareholders who would like to realise their investments in the Shares at the Offer Price of HK\$0.167.

In addition, we would like to remind the Independent Shareholders that they should bear in mind the potential difficulties they may encounter in disposing of the Shares after the close of the Offer in view of the historical low trading liquidity of the Shares (and the recent trading volume of Shares resuming to August 2025, February and March 2026 level) and there is no guarantee that the prevailing level of the Share price will sustain during and after the Offer Period. The Independent Shareholders are strongly advised that the decision to realise or to continue to hold the Shares is subject to individual circumstances and investment objectives of the Independent Shareholders. In any event, the Independent Shareholders should note that there is no certainty that the current trading price level of the Shares will be sustainable during or after the Offer Period.

As different Shareholders would have different investment criteria, objectives and/or circumstances, we would recommend any Shareholders 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. Furthermore, they would carefully read the procedures for accepting or not accepting the Offer as set out in the Composite Document, its appendices and the accompanying Forms of Acceptance.

Yours faithfully,
For and on behalf of
Grand Moore Capital Limited



Philip Chau
Managing Director

Yours faithfully,
For and on behalf of
Grand Moore Capital Limited



Florence Ng
Associate Director

Note: Mr. Philip Chau is a licensed person under the SFO to undertake types 1 and 6 regulated activities (dealing in securities and advising on corporate finance respectively) and is a responsible officer in respect of Grand Moore Capital Limited's type 6 regulated activity (advising on corporate finance). Mr. Chau has over 30 years of experience in banking and corporate finance in Hong Kong.

Ms. Florence Ng is a licensed person under the SFO to undertake type 6 regulated activity (advising on corporate finance) and is a responsible officer in respect of Grand Moore Capital Limited's type 6 regulated activity (advising on corporate finance). Ms. Ng has over 10 years of experience in the corporate finance industry in Hong Kong.