

29 May 2026

To: The Independent CNT Board Committee

Dear Sirs/Madams,

**MANDATORY CONDITIONAL CASH OFFER BY
YU MING INVESTMENT MANAGEMENT LIMITED
ON BEHALF OF
PRIME SURPLUS LIMITED AND
SHK HONG KONG INDUSTRIES LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
CNT GROUP LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFERORS AND
PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

We refer to our appointment as the Independent CNT Financial Adviser to the Independent CNT Board Committee in relation to the CNT Offer, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the Composite Document dated 29 May 2026 jointly issued by the Offerors and CNT, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

Reference is made to the Joint Announcement in relation to, among other things, the CNT Offer.

On 10 April 2026, Prime Surplus acquired 88,723,592 CNT Shares from the Seller for a consideration of HK\$8,872,359.2, equivalent to approximately HK\$0.1 per Sale Share, by entering into the bought and sold notes and the standard form of transfer. The Sale Shares represent approximately 4.66% of the total issued CNT Shares. Completion took place on 10 April 2026.

Immediately before Completion, the Offerors and parties acting in concert with any of them owned 565,741,226 CNT Shares (representing approximately 29.72% of the total issued CNT Shares). Immediately following Completion and as at the Latest Practicable Date, the Offerors and parties acting in concert with any of them are interested in 654,464,818 CNT Shares (representing approximately 34.38% of the total issued CNT Shares).

Pursuant to Rule 26.1 of the Takeovers Code, the Offerors are required to make a mandatory conditional cash offer for all the issued CNT Shares (other than those already owned and/or agreed to be acquired by the Offerors and parties acting in concert with any of them).

THE INDEPENDENT CNT BOARD COMMITTEE

Pursuant to Rules 2.1 and 2.8 of the Takeovers Code, a board which receives an offer, or is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance, and the members of the independent board committee should comprise all non-executive directors who have no direct or indirect interest in the offer.

Pursuant to Rule 2.1 of the Takeovers Code, the Independent CNT Board Committee, comprising Mr. Zhang Jun, a non-executive CNT Director and all independent non-executive CNT Directors, namely, Mr. Ko Kwok Fai, Dennis, Mr. Huang De Rui and Ms. Lin Yingru, has been established to advise the Independent CNT Shareholders as to whether the CNT Offer is fair and reasonable and as to the acceptance of the CNT Offer.

Mr. Tsui, a non-executive CNT Director, has not been included in the Independent CNT Board Committee as Mr. Tsui is the sole shareholder of Prime Surplus (being one of the Offerors), and is therefore not independent in relation to the CNT Offer.

We, Alpha Financial Group Limited, have been appointed as the independent financial adviser to advise the Independent CNT Board Committee in this respect and our opinion herein is solely for the assistance of the Independent CNT Board Committee in connection with its consideration of the CNT Offer pursuant to Rule 2.1 of the Takeovers Code. We have been appointed as the Independent CNT Financial Adviser with the approval of the Independent CNT Board Committee to advise the Independent CNT Board Committee in respect of the CNT Offer and, in particular, as to whether the CNT Offer is fair and reasonable and as to the acceptance of the CNT Offer pursuant to Rule 2.1 of the Takeovers Code.

We are independent from and not connected with CNT, the Offerors, any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. During the past two years immediately preceding the commencement of the CNT Offer Period and up to the Latest Practicable Date, save for this appointment as the Independent CNT Financial Adviser in respect of the CNT Offer, Alpha Financial Group Limited has no significant connection, financial, business or otherwise with and there were no other engagements between Alpha Financial Group Limited and CNT, the Offerors, any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent CNT Financial Adviser to advise the Independent CNT Board Committee, no arrangement exists whereby we shall receive any other fees or benefits from the Offerors and CNT or any of their respective substantial shareholders or any person acting, or deemed to be acting, in concert with any of them. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules and Rule 2.6 of the Takeovers Code.

BASIS OF OUR ADVICE

In formulating our advice and recommendation to the Independent CNT Board Committee and the Independent CNT Shareholders, we have relied on the statements, information, opinions and representations contained in or referred to in the Composite Document and the information and representations as provided to us by the CNT Directors and the management of CNT (the “**CNT Management**”). Our review procedures include review of the annual report of the CNT Group for the year ended 31 December 2025 (the “**2025 Annual Report**”), the Joint Announcement, the Composite Document, relevant announcements published by CNT, the industry trends of the CNT Group’s principal business, the share price performance of CNT, the trading liquidity of the CNT Shares and comparable companies to CNT. We have assumed that all information and representations that have been provided by the CNT Directors and the CNT Management are true, complete and accurate in all material respects at the time when they were made and up to the date throughout the CNT Offer Period. The Independent CNT Shareholders shall be informed by CNT and us as soon as possible if there is any material change to the information disclosed in the Composite Document during the CNT Offer Period in accordance with Rule 9.1 of the Takeovers Code, in which case we will consider whether it is necessary to revise our opinion and inform the Independent CNT Board Committee and the Independent CNT Shareholders accordingly. We have also assumed that all statements of belief, opinion, expectation and intention made by the CNT Directors in the Composite Document were reasonably made after due enquiries and careful considerations.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. The Independent CNT Shareholders will be notified of any material changes to such information provided in the Composite Document and our opinion as soon as possible. The CNT Directors have confirmed, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than that expressed by the director(s) of the Offerors 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.

While we have taken reasonable steps to satisfy the requirements under the Takeovers Code and the Listing Rules, we have not carried out any independent verification of the information, opinions or representations given or made by or on behalf of CNT or the Offerors as set out in the Composite Document, nor have we conducted an independent investigation into the business affairs or assets and liabilities of the CNT Group or any of the other parties involved in the CNT Offer.

We have not considered the tax and regulatory implications on the Independent CNT Shareholders of acceptance or non-acceptance of the CNT Offer since these depend on their individual circumstances. In particular, the Independent CNT Shareholders who are resident overseas or subject to overseas taxation or Hong Kong taxation on securities dealings should consider their own tax positions, and if in any doubt, should consult their own professional advisers.

This letter is issued for the information of the Independent CNT Board Committee solely in connection with their consideration of the CNT Offer, and except for its inclusion in the Composite Document, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent CNT Board Committee in relation to the CNT Offer, we have considered the principal factors and reasons as set out below:

1. Background of the CNT Offer

On 10 April 2026, the CNT Board was informed by Prime Surplus that it has completed the Acquisition, pursuant to which Prime Surplus has acquired the Sale Shares from the Seller for an aggregate cash consideration of HK\$8,872,359.2. Such consideration is based on HK\$0.1 for each of the Sale Shares. The bought and sold notes and the standard form of transfer for the Acquisition have been signed by Prime Surplus and the Seller, and the register of members of CNT has been updated on 13 April 2026. The Sale Shares represent approximately 4.66% of the total number of the CNT Shares in issue.

Immediately before Completion, the Offerors and parties acting in concert with any of them held 565,741,226 CNT Shares (representing approximately 29.72% of the total number of the CNT Shares in issue). Immediately following Completion and as of the Latest Practicable Date, the Offerors and parties acting in concert with any of them are interested in 654,464,818 CNT Shares (representing approximately 34.38% of the total number of the CNT Shares in issue).

Pursuant to Rule 26.1 of the Takeovers Code, the Offerors are required to make a mandatory conditional cash offer for all the issued CNT Shares (other than those already owned and/or agreed to be acquired by the Offerors and parties acting in concert with any of them).

2. Background information of the CNT Group

(a) *Principal business*

CNT is an exempted company incorporated in Bermuda with limited liability, the CNT Shares are listed on the Main Board. The CNT Group is principally engaged in three principal business segments, namely (a) investment property business; (b) hotel business; and (c) paint and coating business. Other than these three business segments, the CNT Group also holds certain equity for investment purpose and owns a parcel of land in Yuen Long, Hong Kong for redevelopment.

(b) *Historical financial information*

Set out below is a summary of the audited consolidated financial results of the CNT Group for the years ended 31 December 2024 and 2025 (“FY2024” and “FY2025”, respectively), as extracted from 2025 Annual Report:

Table 1: Historical financial information of the CNT Group

	FY2024 <i>HK\$'000</i> (audited)	FY2025 <i>HK\$'000</i> (audited)
Revenue	345,901	267,719
– Paint and coating products	298,341	222,679
– Property investment	37,711	33,456
– Hotel business	9,849	11,584
Gross profit	144,565	118,010
Loss before tax	(90,151)	(70,114)
Loss for the year attributable to owners of CNT	(77,375)	(55,139)
Gross profit margin	41.8%	44.1%

	As at 31 December	
	2024	2025
	HK\$'000	HK\$'000
	(audited)	(audited)
Non-current assets	1,230,652	1,118,829
Current assets	486,732	458,513
Total assets	1,717,384	1,647,342
Non-current liabilities	61,318	121,020
Current liabilities	332,471	232,000
Total liabilities	393,789	353,020
Net current assets	154,261	226,513
Equity attributable to owners of CNT	1,219,561	1,196,094

FY2024 vs FY2025

The revenue decreased by approximately 22.6% from approximately HK\$345.9 million for FY2024 to approximately HK\$267.7 million for FY2025. Revenue generated from the paint and coating business of the CNT Group recorded a decrease of approximately 25.4% in FY2025 to approximately HK\$222.7 million, as compared to approximately HK\$298.3 million in FY2024. Revenue generated from the investment property business of the CNT Group in FY2025, which represents the gross rental income from investment properties operating leases, decreased by approximately 11.3% to approximately HK\$33.5 million, as compared to approximately HK\$37.7 million in FY2024. This decline was primarily due to the ongoing unfavourable property market conditions in Hong Kong and the PRC, which exerted pressure on rental reversions. Revenue generated from the hotel business of the CNT Group in FY2025 significantly increased by 17.6% to approximately HK\$11.6 million, as compared to approximately HK\$9.84 million in FY2024. The hotel business of the CNT Group in FY2025 benefited from the increase in the number and the consumption spending of visitors to Hong Kong and achieved higher occupancy rates in FY2025 relative to FY2024.

The amount of gross profit of the CNT Group for FY2025 was approximately HK\$118.0 million, representing a decrease of approximately 18.4%, from approximately HK\$144.6 million for FY2024. The significant decrease in the gross profit of the CNT Group was primarily due to the decrease in sales of paint and coating products of approximately 25.4%, which resulted from weak demand in the real estate and construction sectors in the PRC and Hong Kong, as well as intense competition in the paint and coating industry.

Fair value losses of the investment property portfolio of the CNT Group amounted to approximately HK\$55.9 million in FY2025 as compared to approximately HK\$46.6 million in FY2024, which was attributed to the ongoing unfavourable property market conditions in Hong Kong and the PRC. Reversal of provision for impairment of trade and bills receivables of approximately HK\$10.5 million was recorded for FY2025, as compared to the provision for impairment of approximately HK\$23.8 million of trade and bills receivables for FY2024. Such turnaround was primarily attributable to the settlement of certain aged outstanding trade and bills receivables during the year, which resulted in the reversal of specific provisions for impairment as at 31 December 2025.

The selling and distribution expenses for FY2025 amounted to approximately HK\$41.9 million, representing a decrease of approximately HK\$8.8 million, from approximately HK\$50.6 million for FY2024, mainly due to the significant decrease in legal and professional fees, which was influenced by various factors including outcomes from ongoing lawsuit cases, where negotiations related to aged outstanding trade and bills receivables during the litigation process contributed to the collection of certain receivables. The CNT Group recorded administrative expenses of approximately HK\$102.7 million for FY2025, which was increased from approximately HK\$96.1 million for FY2024 by approximately HK\$6.5 million, where the increase was primarily due to the increase in withholding tax, other taxes and other additional expenses, which was partially offset by the positive impact of cost savings realised from reductions in salaries and staff welfare, audit fees, depreciation and other related expenses.

Other expenses, net of approximately HK\$12.2 million was recorded for FY2025, as compared to approximately HK\$29.8 million for FY2024, which was reduced mainly due to the provision for impairment of property, plant and equipment of approximately HK\$15.5 million in FY2024.

Finance costs incurred decreased by approximately 18.0%, from approximately HK\$7.0 million for FY2024, to approximately HK\$5.8 million for FY2025.

As a result, loss attributable to the CNT Shareholders for FY2025 decreased to approximately HK\$55.1 million, as compared to the loss attributable to the CNT Shareholders of approximately HK\$77.4 million for FY2024.

31 December 2024 vs 31 December 2025

As at 31 December 2025, the CNT Group held non-current assets of approximately HK\$1,188.8 million (31 December 2024: HK\$1,230.7 million), and current assets of approximately HK\$458.5 million (31 December 2024: HK\$486.7 million). The CNT Group recorded a net current asset position of approximately HK\$226.5 million as at 31 December 2025 (31 December 2024: HK\$154.3 million), which primarily consisted of cash and cash equivalents balances amounted to approximately HK\$315.5 million (31 December 2024: HK\$286.7 million). Moreover, major non-current assets held by the CNT Group include investment properties amounted to approximately HK\$691.9 million as at 31 December 2025 (31 December 2024: HK\$725.8 million) and property, plant and equipment amounted to approximately HK\$366.4 million as at 31 December 2025 (31 December 2024: HK\$376.1 million).

Major current liabilities were trade and bills payables, interest-bearing bank borrowings and other payables and accruals which, as at 31 December 2025, amounted to approximately HK\$87.4 million (31 December 2024: HK\$125.4 million), approximately HK\$75.5 million (31 December 2024: HK\$137.6 million) and approximately HK\$49.2 million (31 December 2024: HK\$50.9 million), respectively.

Gearing ratio for the CNT Group was approximately 11.8% as at 31 December 2025 (31 December 2024: 11.3%), based on total interest-bearing bank borrowings of approximately HK\$141.4 million (31 December 2024: HK\$137.6 million) and equity attributable to owners of the CNT Group of approximately HK\$1,196.1 million (31 December 2024: HK\$1,219.6 million). Liquidity ratio of the CNT Group, which is expressed as a percentage of current assets to current liabilities, was approximately 2.0 times as at 31 December 2025, as compared to approximately 1.5 times as at 31 December 2024.

Based on the financial information of the CNT Group as described above, we noted that the CNT Group resulted in a decrease in revenue and gross profit in FY2025 as compared to FY2024, as the paint and coating business operated by CPM (which contributed the majority of the revenue of the CNT Group in both FY2024 and FY2025) experienced weak demand in the real estate and construction sectors in the PRC and Hong Kong under intense competition, whereas the net loss was reduced as a result of the decrease in fair value losses of the investment property portfolio of the CNT Group during the same period concerned. Such financial performance reflects the past challenging operating environment with respect to the paint and coating business operated by CPM and also the fair value changes in the investment property portfolio of the CNT Group affected by the ongoing unfavourable property market conditions in Hong Kong and the PRC. We also noted from the 2025 Annual Report that the loss attributable to the CNT Shareholders has exhibited a downward trend, where net loss of approximately HK\$94.1 million was recorded in the year ended 31 December 2022 and approximately HK\$55.1 million in FY2025, showing signs of improvement.

We are of the view that in evaluating the fair and reasonableness of the CNT Offer Price from the financial performance aspect, the Independent CNT Shareholders should also take note of the future prospects and outlook of the CNT Group and the investment property portfolio of the CNT Group. For further details, please refer to the paragraphs headed “4. Future prospects and outlook of the CNT Group” and “5.2 Property Valuation” in this letter.

3. Information and intention of the Offerors

Information of the Offerors

As stated in the section headed “INFORMATION ON THE OFFERORS” in the Letter from Yu Ming, Prime Surplus and SHK are the Offerors of the CNT Offer.

Prime Surplus is a company incorporated in the British Virgin Islands with limited liability. Prime Surplus is principally engaged in investment holding. As at the Latest Practicable Date, Mr. Tsui is the sole shareholder and sole director of Prime Surplus. Mr. Tsui is also a non-executive CNT Director, an executive director, the chairman and managing director of CPM.

SHK is a company incorporated in Hong Kong with limited liability. SHK is principally engaged in investments in listed and unlisted financial instruments. SHK was formerly listed on the Main Board of the Stock Exchange. The listing of SHK was withdrawn on 23 April 2021. Mr. Mark Wong Tai Chun and Mr. Lee Wa Lun, Warren are the directors of SHK. As at the Latest Practicable Date, SHK is an indirect wholly-owned subsidiary of AGL.

AGL is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are development and investment of residential, office and commercial properties, hospitality related activities, investment and operation of hospital, eldercare and health related businesses, provision of property management, cleaning and security guarding services, and the provision of finance, investments in listed and unlisted securities and funds management.

As at the Latest Practicable Date, AGL is beneficially owned as to approximately 74.99% by Lee and Lee Trust (inclusive of Mr. Lee Seng Hui’s personal interests of approximately 0.01%), being a discretionary trust.

When Prime Surplus contemplated the purchase of the Sale Shares, it was aware that it would be required to make the CNT Offer under the Takeovers Code. As such, Prime Surplus asked SHK to jointly make the CNT Offer. SHK agreed to accept all the tendered CNT Shares in the CNT Offer if Prime Surplus does not take up such tendered shares.

Intention of the Offerors

As detailed in the section headed “Intentions of the Offerors in relation to the CNT Group” in the Letter from Yu Ming, the Offerors do not have any particular plans and strategies regarding the future development of the CNT Group and intend to continue the existing businesses of the CNT Group.

Also as stated in the same section in the Letter from Yu Ming, the Offerors have no intention to (i) introduce any major changes to the existing business and operation of the CNT Group; (ii) discontinue the employment of any employees of the CNT Group to make significant changes to any employment; or (iii) dispose of or re-deploy the fixed assets of CNT other than those in its ordinary and usual course of business. However, the Offerors will continuously review the business of the CNT Group and the Offerors reserve the right to make such changes that it deems necessary or appropriate to the CNT Group’s business and operations to optimise the value of the CNT Group. The Offerors have no intention, understanding, obligation, negotiation or arrangement (concluded or otherwise) to downsize, cease or dispose existing business of the CNT Group.

4. Future prospects and outlook of the CNT Group

The CNT Group engages in three principal business segments, namely (a) investment property business; (b) hotel business; and (c) paint and coating business. Other than these three business segments, the CNT Group also holds certain equity for investment purpose and owns a parcel of land in Yuen Long, Hong Kong for redevelopment.

As disclosed in the 2025 Annual Report, coupling with the geopolitical tensions that created considerable uncertainty in the global markets which could contribute to slowdown in economic growth, the Chinese government has lowered its gross domestic product growth target for 2026, which demonstrates that the geopolitical and economic uncertainties are likely to affect growth and consumer confidence in the PRC, being the major geographical market of the CNT Group in relation to the paint and coating business that generated more than 80% of the total revenue of CNT Group in FY2025. In relation to the paint and coating business in Hong Kong, as mentioned in the Construction Industry Business Index Survey 2025 published by the Hong Kong Construction Association in February 2026, the Hong Kong’s construction sector is facing significant challenges where substantial shortage of project volumes in both the public and private sectors affects the industry which, in turn, affects the market of the paint and coating products of CNT in Hong Kong. In addition, the National People’s Congress officially adopted the Ecological and Environmental Code in March 2026, which shall take effect in August 2026. This regulatory change introduces general provisions that prevents pollution and encourages ecological protection by tightening the substances and compounds allowed in architectural products, which affects the paint and coating products market in the PRC as part of the changes.

As for the investment property business of the CNT Group, properties including residential, commercial and industrial properties in the PRC and Hong Kong were held for the purpose of generating stable rental income and cash flows for long-term investment purposes. According to the Hong Kong Real Estate Market Outlook 2026 published by CBRE Group, Inc. (also known as “Coldwell Banker Richard Ellis”, or abbreviated as “CBRE”), an independent global commercial real estate services and investment company listed on the New York Stock Exchange, the outlook for the residential, commercial and industrial property markets in Hong Kong is expected to remain mixed, with recovery likely to be gradual and uneven across different sectors and locations where sentiment of the residential market has shown signs of stabilisation but the industrial and logistics segment is expected to remain under pressure amid cautious, cost-sensitive leasing demand and continuing trade-related disputes. According to the 2026 China Real Estate Market Outlook also published by CBRE, while commercial real estate market in the PRC should recover gradually in 2026 supported by policy-driven high-quality growth and better financing conditions, with GDP forecast at about 4.5%, office demand rising 10-15% year-on-year and investment volume growing 5-10%, but oversupply, weaker logistics demand and broader macroeconomic condition will continue to weigh on the recovery.

As for the hotel business in Hong Kong that the CNT Group operates, the future outlook and prospects appear to be cautiously encouraging in 2026, as improving visitor arrivals, stronger occupancy rates, limited new room supply and renewed investor interest are expected to support a gradual recovery in the sector. According to a market report article published by Jones Lang LaSalle Incorporated (also known as “JLL”), an independent global commercial real estate and investment management company headquartered in Chicago and listed on the New York Stock Exchange, Hong Kong recorded more than 45.2 million foreign tourist arrivals in the first eleven months of 2025, representing a 12.4% year-on-year increase, while only two hotel openings are anticipated in 2026, which may allow the market to absorb recent supply additions more effectively, while the sustainability of such recovery will depend on economy in the PRC, global trade and interest-rate conditions and Hong Kong’s continued ability to attract leisure and high-value business tourists and travelers.

As such, we are of the view that the outlook of the business sectors that the CNT Group operates in the PRC and Hong Kong remain uncertain. Taking into account the above factors and the CNT Group’s sustained loss-making position in recent years, we consider that CNT’s outlook remains challenging, notwithstanding that the loss attributable to the CNT Shareholders has exhibited a downward trend since FY2022, showing signs of improvement.

5. Principal terms of the CNT Offer

As stated in the Letter from Yu Ming, Yu Ming, on behalf of the Offerors, is making the CNT Offer to acquire all the CNT Offer Shares in compliance with the Takeovers Code on the basis set out below:

For every CNT Offer Share HK\$0.1 in cash

As disclosed in the Letter from Yu Ming, the CNT Offer Price at HK\$0.1 per CNT Offer Share is equal to the price per Sale Share paid by Prime Surplus.

The CNT Offer is extended to all CNT Shareholders other than the Offerors and parties acting in concert with any of them in accordance with the Takeovers Code. As at the Latest Practicable Date, save for 1,903,685,690 CNT Shares in issue, there are no outstanding CNT Shares, options, warrants, derivatives or securities convertible or exchangeable into CNT Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The CNT Offer is conditional upon valid acceptances of the CNT Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the First Closing Date (or such later time or date as the Offerors may, subject to the Takeovers Code, decide) in respect of the CNT Offer Shares which, together with CNT Shares already owned by the Offerors and parties acting in concert with any of them and acquired before or during the CNT Offer Period, will result in the Offerors and parties acting in concert with any of them holding in aggregate more than 50% of the voting rights of CNT.

The CNT Offer will lapse if the CNT Offer does not become unconditional.

The Offerors will issue an announcement in relation to the revision, extension or lapse of the CNT Offer or the fulfilment of such Condition in accordance with the Takeovers Code and the Listing Rules.

As at the Latest Practicable Date, there are 1,903,685,690 CNT Shares in issue. On the basis of the CNT Offer Price of HK\$0.1 per CNT Offer Share, the entire issued share capital of CNT would be valued at HK\$190,368,569. Excluding the CNT Shares owned by the Offerors and parties acting in concert with any of them and assuming there is no change in the issued share capital of CNT from the Latest Practicable Date up to the close of the CNT Offer, a total of 1,249,220,872 CNT Shares will be subject to the CNT Offer. Based on the CNT Offer Price of HK\$0.1 per CNT Offer Share and on the basis of full acceptance of the CNT Offer, the maximum payment obligations payable by the Offerors under the CNT Offer would be HK\$124,922,087.2.

For further details of the terms of the CNT Offer, please refer to the Letter from Yu Ming contained in the Composite Document.

5.1 The CNT Offer Price

The CNT Offer Price of HK\$0.1 per CNT Offer Share represents:

- (i) a discount of approximately 9.91% to the closing price of HK\$0.111 per CNT Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 43.82% to the closing price of HK\$0.178 per CNT Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 43.18% to the average closing price of HK\$0.176 per CNT Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 43.18% to the average closing price of approximately HK\$0.176 per CNT Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 43.18% to the average closing price of approximately HK\$0.176 per CNT Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (vi) a discount of approximately 84.08% to the audited consolidated net asset value attributable to owners of CNT of approximately HK\$0.628 per CNT Share as at 31 December 2025 calculated based on the information as set out in the 2025 Annual Report and 1,903,685,690 CNT Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 85.80% to the Adjusted NAV (as defined below) of approximately HK\$0.704 per CNT Share as at 31 December 2025, calculated based on the information as set out in the 2025 Annual Report and adjusted for the Revaluation Surplus (as defined below), divided by 1,903,685,690 CNT Shares in issue as at the Latest Practicable Date.

5.2 Property Valuation

The valuation of the CNT Group's property interests (collectively, the "Properties") as at 31 March 2026 have been conducted by BMI Appraisals Limited (the "Valuer"). The full text of the valuation reports (including the certificates of the Properties) are set out in Appendices III-A and III-C to the Composite Document (the "Valuation Reports"). According to the Valuation Reports, the market value of the interest in the Properties attributable to the CNT Shareholders was approximately HK\$1,254.6 million (comprising the market value of the interest in properties in Hong Kong and the PRC of approximately HK\$642.4 million and approximately RMB540.6 million, respectively) as at 31 March 2026 (the "Valuation").

We have reviewed the Valuation Reports and discussed with the Valuer the methodology, bases and assumptions adopted in the Valuation and the adjustments made to arrive at the Valuation. We noted that the Valuer has valued those Properties by using investment approach for properties which are held for investment and comparison approach for properties held for owner-occupation. As disclosed in the Valuation Reports, such approaches were based on that the assumptions that the real properties are sold in the market in their existing states without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which might serve to affect the values of the real properties. In addition, no account has been taken of any option or right of pre-emption concerning or effecting sale of the real properties and no forced sale situation in any manner is assumed in the valuations.

For our due diligence on the Valuation, we have discussed with the Valuer the basis of the Valuation and raised questions on areas where we require further explanation. After our discussion with the Valuer and our review of the Valuation Reports, we understand that the valuations under the investment approach were based on current passing rents of these properties being held under existing tenancies and the reversionary potential of the tenancies if they have been or would be let to tenants or the reversionary values of such properties, and for those valuations under comparison approach, references were made to comparable sale information as available in the relevant market and appropriate adjustments were made to account for the differences between the real properties and the comparables in terms of time, location, age, size and other relevant factors.

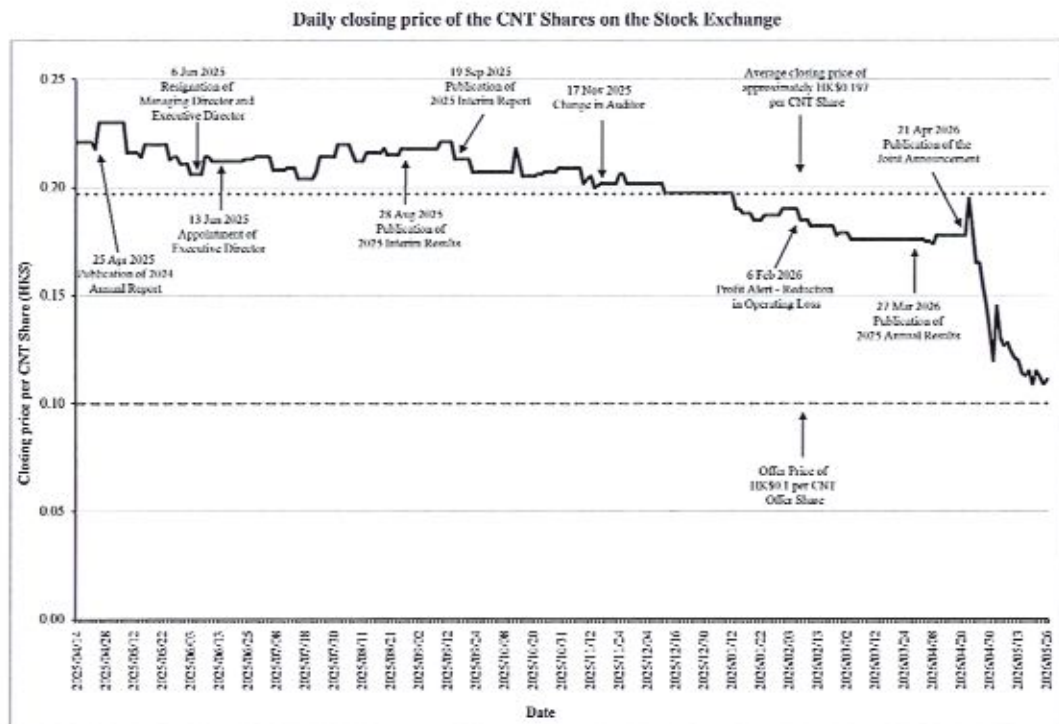
We understand that the above valuation methodologies are commonly adopted approaches in establishing the respective market values of the Properties. Further to the above, we have assessed the qualifications and experience of the responsible person of the Valuer for its engagement as the Valuer for the Valuation. We noted that Dr. Tony C.H. Cheng and Ms. Joannau W.F. Chan, the responsible persons in charge of the Valuation, are members of the Hong Kong Institute of Surveyors (General Practice), with over 33 and 27 years of experience in the valuations of properties in Hong Kong and the PRC, respectively. In addition, we have also reviewed the Valuer's terms of engagement and noted that the scope of work is appropriate for arriving at the opinion in the Valuation. Nothing has come to our attention that CNT has made any formal or informal representation to the Valuer that contravenes our understanding of the Valuation. The Valuer has also confirmed that the Valuation has been prepared in accordance with The HKIS Valuation Standards (2024 Edition) published by The Hong Kong Institute of Surveyors, The RICS Valuation – Global Standards published by The Royal Institution of Chartered Surveyors and the International Valuation Standards (IVS) published by The International Valuation Standards Council; and are in compliance with Rule 11 of the Takeovers Code.

Based on our review of the work done by the Valuer, we are of the view that the basis and assumptions in arriving at the Valuation are fair and reasonable.

In evaluating the CNT Offer, we have taken into account the adjusted unaudited consolidated net asset attributable to the CNT Shareholders (the “Adjusted NAV”) provided by the CNT Management, which is calculated based on the audited consolidated NAV attributable to the CNT Shareholders as at 31 December 2025 and adjusted with reference to the Valuation as at 31 March 2026. The Adjusted NAV per CNT Share would have been approximately HK\$0.704, calculated based on (i) the CNT Group’s audited consolidated net assets attributable to owners of CNT of approximately HK\$1,196.1 million as at 31 December 2025, as disclosed in the 2025 Annual Report; (ii) the difference between the Valuation of approximately HK\$1,254.6 million as at 31 March 2026 and the corresponding book value of approximately HK\$1,110.2 million as at 31 December 2025 (the “Revaluation Surplus”), and (iii) 1,903,685,690 CNT Shares in issue as at the Latest Practicable Date. Accordingly, the CNT Offer Price of HK\$0.1 represents a discount of approximately 85.80% to the Adjusted NAV per CNT Share.

5.3 Historical performance of the CNT Shares

We have reviewed the movements in the closing price of the CNT Shares for the period commencing from 11 April 2025, being the twelve-month period prior to the Last Trading Day and up to and including the Latest Practicable Date (the “Review Period”). We consider that the length of the Review Period to be reasonably long enough to illustrate the relationship between the historical trend of the closing price of the CNT Shares and the CNT Offer Price and is also a common approach when assessing historical performance of shares in a general offer. Set out below is the chart showing the daily closing price of the CNT Shares as quoted on the Stock Exchange during the Review Period:



Source: the website of the Stock Exchange (www.hkex.com.hk)

Note: Trading of the CNT Shares on the Stock Exchange has been suspended from 13 to 21 April 2026 pending the release of the Joint Announcement.

We noted from the above chart that, during the Review Period, the CNT Shares closed on the Stock Exchange within the range of the lowest of HK\$0.109 per CNT Share on 19 and 22 May 2026 to the highest of HK\$0.23 per CNT Share during the period from 24 April 2025 to 7 May 2025. The CNT Offer Price is lower than the average closing price of approximately HK\$0.197 per CNT Share during the Review Period.

The CNT Offer Price represents an average discount of approximately 50.6% to the closing prices of the CNT Shares from the start of the Review Period up to the Last Trading Day. We observed that the closing price of the CNT Shares has demonstrated a generally stable pattern during the Review Period, while exhibiting a slightly decreasing trend from the start of the Review Period and closed at HK\$0.178 per CNT Share on the Last Trading Day.

During the period from 22 April 2026 (from the resumption of trading after the release of the Joint Announcement) up to and including the Latest Practicable Date (the “**Post-Announcement Period**”), possibly as a market sentiment to the CNT Offer Price, the closing price of the CNT Shares experienced a dip and subsequently closed at HK\$0.111 per CNT Share on the Latest Practicable Date.

Save for the possible market reactions on the announcements or reports as set out in the above chart and the dealings made by Chinaculture.com Limited and disclosed in the public disclosure forms published since 24 April 2026 and up to the Latest Practicable Date, we do not notice any other reasons for the abovementioned movements of the closing price of the CNT Shares during the Review Period after reviewing the Company’s announcements and reports disclosed in the website of the Stock Exchange during the Review Period. As discussed with the management of CNT, they were not aware of any particular reasons that contributed to the fluctuations in the closing price of the CNT Shares during the Review Period aside from the abovementioned.

While it is noted the closing price of the CNT Shares dipped since the start of the Post-Announcement Period while reaching the lowest closing price of HK\$0.109 per CNT Share on 19 and 22 May 2026, which may possibly be a market sentiment to the CNT Offer Price, as the CNT Offer Price represents a discount of approximately 49.2% over the average closing price per CNT Shares during the Review Period and the CNT Offer Price is below the closing price of the CNT Shares throughout the entire Review Period. Accordingly, we are of the view that the CNT Offer Price is unattractive from the perspective of the historical performance of the CNT Shares.

5.4 Historical trading volume of the CNT Shares

Set out below is the table showing the average daily trading volumes of the CNT Shares on the Stock Exchange during the Review Period:

Month/Period	No. of trading days	Average daily trading volume	% of total issued shares ⁽²⁾	% of public float ⁽³⁾
Apr 2025 (from 11 Apr 2025)	12	33,000	0.0017%	0.0034%
May 2025	20	56,000	0.0029%	0.0058%
Jun 2025	21	408,667	0.0215%	0.0422%
Jul 2025	22	161,091	0.0085%	0.0166%
Aug 2025	21	44,190	0.0023%	0.0046%
Sep 2025	22	5,909	0.0003%	0.0006%
Oct 2025	20	14,768	0.0008%	0.0015%
Nov 2025	20	35,017	0.0018%	0.0036%
Dec 2025	21	1,048	0.0001%	0.0001%
Jan 2026	21	9,270	0.0005%	0.0010%
Feb 2026	17	120,033	0.0063%	0.0124%
Mar 2026	22	5,245	0.0003%	0.0005%
Apr 2026 (Note 1)	12	2,367,451	0.1244%	0.2423%
May 2026 (up to the Latest Practicable Date)	16	1,037,204	0.0545%	0.1053%

Notes:

- (1) Trading of the CNT Shares on the Stock Exchange has been suspended from 13 to 21 April 2026 pending the release of the Joint Announcement.
- (2) Calculated based on average daily trading volume over the month/period divided by the total number of 1,903,685,690 CNT Shares in issue as at the end of each month/period during the Review Period.
- (3) Calculated based on average daily trading volume over the month/period divided by the total number of public shares at each month/period end according to the announcements of CNT disclosing relevant information regarding the public float of CNT and relevant public disclosures.

Trading volume of the CNT Shares during the Review Period

The daily trading volume of the CNT Shares on the Stock Exchange has been thin during the Review Period, given that it had only recorded 68 out of 267 trading days with over 20,000 CNT Shares (which is 10 board lots based on 2,000 CNT Shares per board lot as at the Latest Practicable Date) during the Review Period. The issued shares of the CNT of 1,903,685,690 CNT Shares remained the same during the Review Period and up to the Latest Practicable Date.

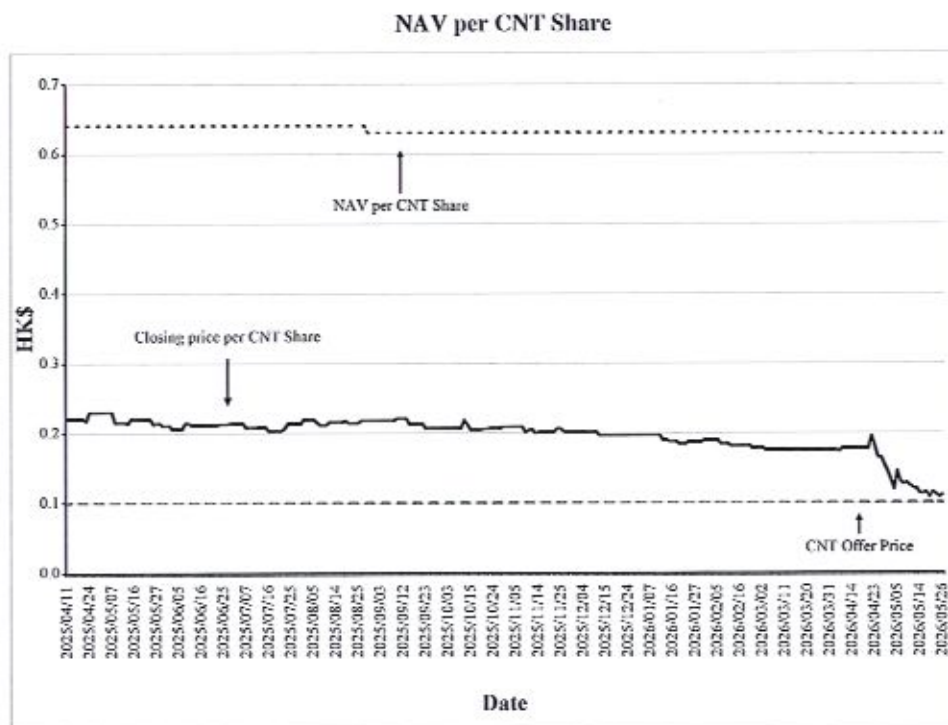
The average daily trading volume of the CNT Shares on the Stock Exchange amounted to approximately 230,194 CNT Shares during the Review Period, representing approximately 0.012% of the CNT's issued share capital as at the Latest Practicable Date. The average daily trading volume of the CNT Shares also represents a range from approximately 1,048 CNT Shares in December 2025 (approximately 0.0001% in terms percentage to the number of total issued CNT Shares and approximately 0.0001% in terms of percentage to the public float of CNT) to approximately 2,367,451 CNT Shares in June 2025 (approximately 0.1244% in terms percentage to the number of total issued CNT Shares and approximately 0.2423% in terms of percentage to the public float of CNT).

There are only 6 trading days which recorded trading volume of more than 0.1% of the issued share capital of CNT during the Review Period. This indicates that the liquidity of the CNT Shares had been inactive during the Review Period, not to mention that there has been more than 186 out of 267 trading days during the Review Period which recorded zero trading volume.

Given the thin historical daily trading volume of the CNT Shares during the Review Period, it is uncertain as to whether there is sufficient liquidity for the Independent CNT Shareholders to dispose of a significant number of CNT Shares on the Stock Exchange without creating downward pressure on the CNT Share price on the market. The Independent CNT Shareholders who wish to realise their investments in CNT, we recommend that they consider disposing of their CNT Shares in the open market, rather than accepting the CNT Offer, if the net proceeds from the sale of such CNT Shares in the open market would exceed the net proceeds receivable under the CNT Offer. Nevertheless, the Independent CNT Shareholders should also note that they may not be able to realise their investments in the CNT Shares at a price higher than the CNT Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the CNT Offer might provide an exit alternative for the Independent CNT Shareholders who would like to realise their investments in the CNT Shares at the CNT Offer Price of HK\$0.1.

5.5 Historical discounts to net asset value per CNT Share

The CNT Offer Price represents a discount of approximately 84.08% to the audited consolidated net asset value attributable to the CNT Shareholders (“NAV”) of approximately HK\$0.6283 per CNT Share as at 31 December 2025. The chart below illustrates the historical closing prices of the CNT Shares as quoted on the Stock Exchange during the Review Period, and up to the Latest Practicable Date against the CNT Offer Price and the latest available NAV of CNT at the relevant time.



Source: the website of the Stock Exchange (www.hkex.com.hk)

Note: The NAV per CNT Share was calculated based on the latest available net assets as set out in the respective interim or annual results of CNT at the relevant time, divided by the total number of CNT Shares in issue.

As shown in the chart above, the CNT Shares have been trading at a substantial discount to the NAV per CNT Share for most of the time during the Review Period. For the reference of the Independent CNT Shareholders, the CNT Offer Price represents a discount of approximately 84.08% to the NAV of approximately HK\$0.628 per CNT Share as at 31 December 2025, as compared to the average discount of approximately 68.9% that the CNT Shares have been trading at over the Review Period.

In addition, the cash and cash equivalents of the CNT Group amounted to approximately HK\$315.5 million as at 31 December 2025, as disclosed in the 2025 Annual Report. In turn, cash and cash equivalents of approximately HK\$0.166 is attributable to each CNT Share as at 31 December 2025, together with the other assets such as the Properties attributable by the CNT Group of market value of approximately HK\$0.659 per CNT Share as at 31 March 2026, as calculated from the Valuation. Accordingly, we are of the view that the CNT Offer Price of HK\$0.1 per CNT Share is unattractive from the perspective of the net asset value of the CNT Shares.

5.6 Comparative analysis

In order to further assess the fairness and reasonableness of the CNT Offer Price, we have considered the price-to-book ratio (the “**P/B Ratio**”), the price-to-earnings ratio (the “**P/E Ratio**”), the price-to-sales ratio (the “**P/S Ratio**”) and dividend yield which are commonly adopted trading multiple analyses. Given that the CNT Group was loss-making for the years ended 31 December 2023, 2024 and 2025 and no dividend was distributed for the years ended 31 December 2023, 2024 and 2025, we were unable to analyse with reference to P/E Ratio and dividend yield. Any fluctuation in revenue for CNT and/or any of the Peer Comparables would distort the results of analysis on P/S Ratio and P/S Ratio does not reflect the cost structure differences between different companies. Given the aforesaid limitations, P/S Ratio analysis is not included in our analysis below. Accordingly, we consider the P/B Ratio to be appropriate indicators of the fair values of the comparable companies.

As at the Latest Practicable Date, CNT had 1,903,685,690 CNT Shares in issue. On the basis of the CNT Offer Price being HK\$0.1 per CNT Offer Share, the total issued share capital of CNT would be valued at HK\$190,368,569. The P/B Ratio implied by the CNT Offer Price is approximately 0.14 times (the “**Implied P/B Ratio**”), based on the Adjusted NAV of approximately HK\$1,340.5 million (being the audited consolidated NAV attributable to the CNT Shareholders as at 31 December 2025 and adjusted with reference to the Valuation as at 31 March 2026).

With reference to the 2025 Annual Report, more than 80% of the total revenue of CNT during FY2025 was derived from the sales of paint and coating products, with also more than 80% of the total revenue of CNT during FY2025 generated in the PRC. For the purpose of comparison, we have conducted a search of comparable companies which meet the criteria of (i) having listed on the Stock Exchange on or before the Latest Practicable Date; (ii) being principally engaged in the manufacture and sale of paint products; and (iii) majority (more than 50%) of the revenue generated in the PRC. However, according to our search result based on such criteria, we noted that none of the companies listed on the Stock Exchange was principally engaged in the exact same business and in the same geographical location as that of the CNT Group. As such, we have broadened the aforesaid criteria to being principally engaged in the surface coating industry in the PRC, with majority (more than 50%) of the total revenue attributable to such businesses (the “Peer Comparable(s)”).

Based on the abovementioned criteria, we have identified four Peer Comparables by searching through published information on the Stock Exchange’s website. Based on our search conducted according to the abovementioned criteria, the list of Peer Comparables is an exhaustive list of companies meeting the abovementioned criteria, save for the exclusions of CNT and CPM.

Although the number of the Peer Comparables were limited, we are of the view that the valuation of the Peer Comparables is comparable to that of CNT because the Peer Comparables also engage in the surface coating industry in the PRC, and we consider that the Peer Comparables represent the companies operating in the same business segment and in the same geographical market to that of CNT. Based on the above, having considered the exhaustive list of Peer Comparables having met the selection criteria, we are of the view that the Peer Comparables are representative samples and it is fair and reasonable for the Peer Comparables to represent companies similar to that of CNT for the Independent CNT Shareholders to take reference of.

The table below illustrates the market capitalisation and net asset value of the Peer Comparables as well as the calculated P/B Ratio:

Company name (Stock code)	Principal activities	Market capitalisation as at the Latest Practicable Date	Net asset value (Note 1)	P/B ratio
Yip’s Chemical Holdings Ltd (408)	Principally engaged in (i) manufacture of and trading in solvents, coatings, inks and lubricants; (ii) manufacture and sales of chemical vapour recovery and treatment systems; (iii) property investment; and (iv) other businesses, mostly in the PRC	HK\$1,284.5 million	HK\$4,020.8 million	0.32 times

Company name (Stock code)	Principal activities	Market capitalisation as at the Latest Practicable Date	Net asset value (Note 1)	P/B ratio
Precious Dragon Technology Holdings (1861)	Manufacturing of aerosol products used in the automotive beauty and maintenance products for auto cleaning, maintenance, paint and coating, mainly in the PRC	HK\$493.6 million	HK\$377.8 million	1.31 times
Tiande Chemical Holdings Ltd (609)	Research and development, manufacture and sale of fine chemical products widely used in decoration works and fittings for coating purposes, mainly in the PRC	HK\$1,071.7 million	RMB2,437.4 million	0.39 times
China Longevity Group Co Ltd (1863)	Design, development, manufacture and sale of (i) polymer processed high strength polyester fabric composite materials and other reinforced composite and conventional materials and (ii) PVC and Non-PVC composite materials of floorings and wall panels used as protective coating for industrial and construction settings, mainly in the PRC	N/A (Note 4)	RMB797.3 million	N/A (Note 3)
				Maximum Average Median Minimum
				1.31 times 0.67 times 0.39 times 0.32 times
CNT (701) (The CNT Offer)	Manufacture and sale of paint products in the PRC and Hong Kong, property investment (including the investment properties for rental income potential or for sale, and the proposed elderly caring centre development in Hong Kong), hotel business and investment holding activities	HK\$190.4 million (Note 2)	HK\$1,340.5 million (Note 3)	0.14 times

Source: the website of the Stock Exchange (www.hkex.com.hk) and the financial reports of the respective Peer Comparables

Notes:

1. The P/B Ratio of the Peer Comparables are calculated based on the market capitalisation of the respective Peer Comparable as at the Last Trading Day divided by the net assets value of the respective Peer Comparable as extracted from their respective latest published interim or annual results as at the Latest Practicable Date.
2. The Implied P/B Ratio is calculated based on the theoretical market capitalisation of CNT with reference to the CNT Offer Price and the Adjusted NAV.
3. The Adjusted NAV, being the audited consolidated NAV attributable to the CNT Shareholders as at 31 December 2025 and adjusted with reference to the Valuation as at 31 March 2026, has been adopted as net asset value of CNT.
4. The trading of the shares of China Longevity Group Co Ltd (1863) has been suspended since 14 February 2013.

As illustrated in the table above, the Implied P/B Ratio of CNT calculated based on the theoretical market capitalisation of CNT with reference to the CNT Offer Price is approximately 0.14 times, which is lower than the average of approximately 0.67 times and the range of approximately 0.32 to 1.31 times.

Accordingly, as the Implied P/B Ratio is lower than that of the P/B Ratios of the Peer Comparables, we are of the view that CNT Offer Price is unattractive from a peer valuation standpoint.

5.7 General offer precedents

We are of the view that past general offer transactions of companies listed on the Stock Exchange may not be a good reference for assessing the fairness and reasonableness of the CNT Offer Price considering these companies are from different industries, which therefore may have different market fundamentals and prospects. Accordingly, we consider the analysis in the sections above to be more relevant for the Independent CNT Shareholders.

5.8 Conclusion

We noted that:

- (i) while the closing price of the CNT Shares dipped since the start of the Post-Announcement Period while reaching the lowest closing price of HK\$0.109 per CNT Share on 19 and 22 May 2026 which may possibly be a market sentiment to the CNT Offer Price, the CNT Offer Price of HK\$0.1 per CNT Share represents an average discount of approximately 48.2% to the closing prices of the CNT Shares during the entire Review Period;
- (ii) the CNT Offer Price of HK\$0.1 per CNT Share is below the closing prices of the CNT Shares throughout the Review Period, ranging from HK\$0.109 to HK\$0.23 per CNT Share;

- (iii) the thin historical daily trading volume of the CNT Shares during the Review Period may raise uncertainty as to whether there is sufficient liquidity for the Independent CNT Shareholders to dispose of a significant number of CNT Shares on the Stock Exchange without creating downward pressure on the CNT Share price on the market, particularly for those who hold a large volume of the CNT Shares;
- (iv) the CNT Offer Price represents a discount of approximately 85.80% to the Adjusted NAV of approximately HK\$0.704 per CNT Share and represents a higher discount as compared to the average discount of approximately 68.9% that the CNT Shares have been trading at over the Review Period, as discussed in paragraphs headed “5.5 Historical discounts to net asset value per CNT Share” in this letter;
- (v) the cash and cash equivalents of approximately HK\$0.166 per CNT Share as at 31 December 2025 as derived from the 2025 Annual Report and the market value of approximately HK\$0.659 per CNT Share as at 31 March 2026 as derived from the Valuation are attributable to each CNT Share;
- (vi) the Implied P/B Ratio implied by the CNT Offer Price and the Adjusted NAV of approximately 0.14 times is lower than the average of approximately 0.67 times and the range of approximately 0.32 to 1.31 times of the Peer Comparables.

Accordingly, we are of the view that the CNT Offer Price is unattractive and the CNT Offer is not fair and reasonable so far as the Independent CNT Shareholders are concerned.

RECOMMENDATION

Based on the foregoing, having considered the aforementioned principal factors and reasons for the CNT Offer, we noted that:

- (i) the CNT Offer Price represents an average discount of approximately 50.6% to the closing prices of the CNT Shares from the start of the Review Period up to the Last Trading Day, while exhibiting a slightly decreasing trend from the start of the Review Period and closed at HK\$0.178 per CNT Share on the Last Trading Day, as discussed in paragraphs headed “5.3 Historical performance of the CNT Shares” in this letter;
- (ii) the CNT Offer Price of HK\$0.1 per CNT Share is below the closing prices of the CNT Shares throughout the entire Review Period, ranging from HK\$0.109 to HK\$0.23 per CNT Share, as discussed in paragraphs headed “5.3 Historical performance of the CNT Shares” in this letter;
- (iii) the Implied P/B Ratio implied by the CNT Offer Price and the Adjusted NAV of approximately 0.14 times is lower than the average of approximately 0.67 times and the range of approximately 0.32 to 1.31 times of the Peer Comparables, as discussed in paragraphs headed “5.6 Comparative analysis” in this letter;

- (iv) the CNT Offer Price represents a discount of approximately 85.80% to the Adjusted NAV of approximately HK\$0.704 per CNT Share, where cash and cash equivalents of approximately HK\$0.166 per CNT Share as at 31 December 2025 as derived from the 2025 Annual Report and market value of approximately HK\$0.659 per CNT Share as at 31 March 2026 as derived from the Valuation are attributable to each CNT Share, as discussed in the paragraphs headed “5.5 Historical discounts to net asset value per CNT Share” in this letter;
- (v) the outlook of the business sectors that the CNT Group operates in the PRC and Hong Kong remain uncertain and the CNT Group loss-making position in recent years indicating that CNT’s outlook remains challenging, as discussed in the paragraphs headed “4. Future prospects and outlook of the CNT Group” in this letter;

while we also noted that,

- (vi) the thin historical daily trading volume of the CNT Shares during the Review Period may raise uncertainty as to whether there is sufficient liquidity for the Independent CNT Shareholders to dispose of a significant number of CNT Shares on the Stock Exchange without creating downward pressure on the CNT Share price on the market, particularly for those who hold a large volume of the CNT Shares, as discussed in paragraphs headed “5.4 Historical trading volume of the CNT Shares” in this letter; and
- (vii) while the past challenging operating environment with respect to the paint and coating business of operated by CPM and the fair value loss in the investment property portfolio of the CNT Group affected by the ongoing unfavourable property market conditions in Hong Kong and the PRC, the loss attributable to the CNT Shareholders has exhibited a downward trend since FY2022, showing signs of improvement, as discussed in paragraphs headed “2. Background information of the CNT Group – (b) Historical financial information” in this letter.

On balance, we are of the view that the CNT Offer Price is unattractive and the CNT Offer is not fair and reasonable so far as the Independent CNT Shareholders are concerned, and therefore we recommend the Independent CNT Board Committee to advise the Independent CNT Shareholders not to accept the CNT Offer.

For those Independent CNT Shareholders who wish to realise their investments in CNT, we recommend that they consider disposing of their CNT Shares in the open market, rather than accepting the CNT Offer, if the net proceeds from the sale of such CNT Shares in the open market would exceed the net proceeds receivable under the CNT Offer. Nevertheless, the Independent CNT Shareholders should also note that they may not be able to realise their investments in the CNT Shares at a price higher than the CNT Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the CNT Offer might provide an exit alternative for the Independent CNT Shareholders who would like to realise their investments in the CNT Shares at the CNT Offer Price of HK\$0.1.

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

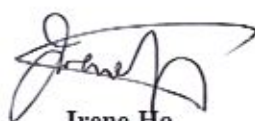
The Independent CNT Shareholders are also reminded to read carefully the procedures for acceptance of the CNT Offer, details of which are set out in Appendix I to the Composite Document and the accompanying Form of Acceptance, if they wish to accept the CNT Offer.

Yours faithfully,
For and on behalf of
Alpha Financial Group Limited



Cheng Chi Ming, Andrew
Managing Director

Yours faithfully,
For and on behalf of
Alpha Financial Group Limited



Irene Ho
*Head of Corporate Finance,
Senior Vice President*

Mr. Cheng Chi Ming, Andrew is the Managing Director of Alpha Financial Group Limited and is licensed under the SFO as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Cheng has over 23 years of experience in the corporate finance industry in Hong Kong.

Ms. Irene Ho is the Head of Corporate Finance and Senior Vice President of Alpha Financial Group Limited and is licensed under the SFO as a Responsible Officer to conduct Type 6 (advising on corporate finance) regulated activities (under the licensing condition that in the capacity as an adviser to a client on matters/transactions falling within the ambit of the Takeovers Code, act together with another adviser not subject to the same condition). Ms. Ho has over 11 years of experience in the corporate finance industry in Hong Kong.