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Medbanks
思派健康科技

Sipai Health Technology Co., Ltd.
思派健康科技有限公司

(A company incorporated in the Cayman Islands with limited liability)
(Stock Code: 0314)

FURTHER ANNOUNCEMENT ON DISCLOSEABLE TRANSACTION
DISPOSAL OF 100% EQUITY INTEREST IN THE TARGET COMPANY

Financial Adviser

Ignite Capital

Reference is made to the announcement of the Company dated April 22, 2026 in relation to the disposal of 100% equity interest in the Target Company (the "**Announcement**"). Unless stated otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, given the valuation of the Target Group (the "**Appraisal**") was based on cost approach under which the intangible assets were valued through income approach (taking into account the future economic benefits expected to bring to the Target Group), the valuation constitutes a profit forecast solely under Rule 14.61 of the Listing Rules (the "**Profit Forecast**").

In accordance with the requirements under Rule 14.60A of the Listing Rules, a summary of the Appraisal, including further information on the principal assumptions used in the Profit Forecast, please refer to Appendix I to this announcement.

Ignite Capital (Asia Pacific) Limited, acting as the Company's financial adviser (the "**Financial Adviser**") to the Disposal, is satisfied that the Profit Forecast has been made by the Director after due and careful enquiry.

Ernst & Young, acting as the Company's reporting accountants (the "**Reporting Accountants**"), has reported on the arithmetical accuracy of the calculations of the discounted cash flow forecast, which does not involve the adoption of accounting policies, as adopted in the preparation of the Valuation Report issued by the Valuer.

In compliance with Rule 14.60A of the Listing Rules, the text of the report from the Reporting Accountants dated May 14, 2026 and the letter from the Financial Adviser dated May 14, 2026 are included in Appendix II and Appendix III to this announcement, respectively.

EXPERTS AND CONSENTS

The qualifications of the experts who have given their opinion and advice included in this announcement are as follows:

Name	**Qualification**
Ignite Capital (Asia Pacific) Limited	Licensed by the Securities and Futures Commission to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance
Ernst & Young	Certified Public Accountants, Hong Kong, and a Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
Orient Appraisal Co., Ltd.（上海東洲資產評估有限公司）	Independent qualified valuer in the PRC

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, each of the Financial Adviser, the Reporting Accountants and the Valuer is a third party independent of the Group and its connected persons. As at the date of this announcement, each of the aforementioned parties does not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each of the Financial Adviser, the Reporting Accountants and the Valuer has given and has not withdrawn its written consent to the issue of this announcement with inclusion of its name, letter, report or opinion (as the case may be) and all references to its name (including its qualification) in the form and context in which they are included.

Status of Reorganization

As of the date of this announcement, the Target Company has entered into separate equity transfer agreement with and acquiring from the minority shareholder of Beijing Renbo and Siweite their minority interest for a total consideration of RMB3.5 million in fulfilment of the Company's undertaking under the Equity Transfer Agreement. The Company agreed to undertake the Reorganization as part of the commercial negotiations between the parties, and ensures that the Purchaser acquires the entire ownership of the assets subject to the Disposal in line with their commercial objectives. The Company has already accounted for the consideration payable to the minority shareholders of Beijing Renbo and Siweite in estimating the profit of RMB49.14 million expected to be generated by the Disposal.

By order of the Board
Sipai Health Technology Co., Ltd.
MA Xuguang
Chairman of the Board and Executive Director

Hong Kong, May 14, 2026

As at the date of this announcement, the Board comprises Mr. MA Xuguang and Mr. LI Ji as executive directors, Mr. YAO Leiwen as non-executive director, Mr. FAN Xin, Mr. HE Haijian and Ms. HUANG Bei as independent non-executive directors.

I. VALUATION METHODS

According to the Valuation Report, the primary methods used in enterprise valuation are the income approach, the market approach and the asset-based approach. The Valuer analyses the applicability of these three valuation methods based on relevant factors such as the purpose of the valuation, the subject of the valuation, the type of value and the availability of data, and selects the appropriate valuation method.

In principle, the asset-based approach is adopted for this valuation; however, the intangible asset – distribution rights – is valued using the income approach, and this is presented as the final valuation conclusion. The reasons are as follows:

The fundamental principle of the asset-based approach is to reconstruct or replace the subject asset under current conditions; the price a potential investor is willing to pay when deciding to invest in a particular asset will not exceed the current cost of acquiring or constructing that asset. This valuation project meets the conditions required for the asset-based approach, namely that the assets under valuation are in continuous use or are assumed to be in continuous use, and that usable historical operating data is available. The use of the asset-based approach satisfies the requirements for the type of value being determined in this valuation. Under the asset-based approach, apart from the assets and liabilities recorded on the balance sheet, the core value-added component is the value of the enterprise's distribution rights. It is considered that these rights can generate excess revenue for the entity under valuation; therefore, the income approach is applied separately to determine the valuation of the distribution rights.

The income approach generally employs the discounted cash flow method. As the Target Company is currently operating at a loss overall and the pharmaceutical industry is highly competitive, management expects that a turnaround to positive cash flow remains highly uncertain in the foreseeable future as of the current valuation date. However, the income approach is applicable only where a company has the capacity for going concern, future earnings can be reasonably predicted, and positive cash flows are expected. Therefore, the income approach is not suitable for this valuation.

Upon examining domestic listed companies operating in the same industry as the subject entity, it was found that listed companies in the domestic pharmaceutical retail sector are all large-scale pharmacy chains. These entities possess advantages such as bulk purchasing, dense regional store networks, IT-driven management and supply chain coordination, resulting in strong profitability and high operational efficiency. In contrast, the subject entity has a relatively small overall revenue scale and is classified as a regional small-to-medium-sized pharmaceutical trading enterprise. There are significant disparities in terms of purchasing bargaining power, logistics costs, store density, capital costs and management efficiency. These differences in economies of scale cannot be eliminated through simple coefficient adjustments; the conclusions derived from the market approach lack reliability. Furthermore, the market approach is premised on relatively stable business operations and predictable prospects. As the Target Company is currently operating at a loss, there is significant uncertainty regarding the timing of future profitability, the extent of improvement, and store expansion. If the market approach were to base pricing on transactions involving mature enterprises, it would fail to reflect the current operational risks and uncertainties of the subject company; the valuation results would be prone to significant deviation from the true value and would lack persuasiveness. Furthermore, there have been few equity transactions in the recent property rights trading market involving companies with similar industry characteristics and business models. Even where a small number of cases exist, information regarding the relevant transaction background and the operational and financial data of such cases cannot be obtained from public channels; as such, the information is incomplete. Therefore, on balance, the market approach is not suitable for this valuation.

The valuation conclusions derived by the Valuer using the asset-based approach are as follows:

The value of the Target Company's total shareholders' equity as at the valuation date was RMB64,100,800, representing a premium of RMB49,021,100 over the carrying amount of consolidated equity attributable to the parent company of RMB15,079,700. i.e. a premium of 325.08%. The primary reason for this premium is the inclusion of off-balance-sheet intangible assets – distribution rights – within the scope of the valuation, which were assessed using the income approach. The valuation of the distribution rights amounted to RMB50,000,000, ultimately leading to an increase in the overall valuation.

II. VALUATION ASSUMPTIONS

1. Basic Assumptions

(1) Market Transaction Assumption

The market transaction assumption posits that all assets under valuation are already in the process of being traded; the Valuer conducts the valuation by simulating the market based on the transaction conditions of the assets. This assumption constitutes the most fundamental prerequisite for carrying out an asset valuation.

(2) Open Market Assumption

The open market assumption is a presumption regarding the market conditions into which the asset is intended to enter, and the influences the asset will be subject to under such market conditions. An open market refers to fully developed and well-established market conditions; it denotes a competitive market with willing buyers and sellers, where buyers and sellers are on an equal footing and have both the opportunity and time to obtain sufficient market information, and where transactions between buyers and sellers are conducted voluntarily, rationally, and under non-coercive or unrestricted conditions. The open market assumption is based on the premise that assets can be openly bought and sold in the market.

(3) Going Concern Assumption

The going concern assumption posits that, given the entity's current assets and resources, its production and business operations can legally continue in their present form for the foreseeable future, and that its operating conditions will not undergo any significant adverse changes.

(4) Assumption of continued use for the asset's current purpose

The assumption of continued use for the asset's current purpose refers to the assumption that the asset will continue to be used for its current purpose. Firstly, it is assumed that the assets within the scope of the valuation are currently in use; secondly, it is assumed that they will continue to be used for their current purpose and in their current manner, without considering a change in the asset's use or conditions for optimal utilisation.

2. General Assumptions

(1) This valuation assumes that, following the valuation date, there will be no unforeseen material adverse changes in the external economic environment, including relevant national laws, macroeconomic conditions, financial policies and industrial policies, nor will there be any material impact arising from other unforeseeable or unavoidable factors.

(2) This valuation does not take into account the potential impact on the valuation conclusions of future mortgages or guarantees that the subject entity and its assets may incur, nor any additional costs that may arise from special transaction methods.

(3) It is assumed that there will be no significant changes in the socio-economic environment of the subject entity's location, nor in fiscal and tax policies such as tax burdens and rates; furthermore, financial policies, including credit policies, interest rates and exchange rates, are assumed to remain fundamentally stable.

(4) The business operations of the subject entity, both currently and in the future, are lawful and compliant, and conform to the relevant provisions of its business licence and articles of association.

(5) It is assumed that the relevant pharmaceutical retail licences and wholesale authorisation agreements held by the enterprise can be smoothly renewed upon expiry in the future, provided that the existing renewal conditions are met.

(6) It is assumed that, after the valuation date, cash inflows from the assets subject to valuation will be uniform, and cash outflows will be uniform.

III. VALUATION MODEL AND KEY PARAMETERS

The asset-based approach specifically refers to a method of determining the value of a company's total shareholders' equity by summing the assessed values of the various assets constituting the enterprise and subtracting the assessed value of its liabilities.

The valuation methods for the various major assets and liabilities are as follows:

1. Cash and Cash Equivalents

Cash and cash equivalents include other monetary funds; for this valuation, they are assessed at their verified book value.

2. Other Current Assets

These primarily consist of the company's input VAT credits; for this valuation, the assessed value is determined based on the verified book value.

3. Long-term Equity Investments

Long-term equity investments are also valued using the asset-based approach for this valuation; the relevant calculation processes and parameters are consistent with those of the parent company.

4. Equipment Assets

In accordance with the "Valuation Practice Standards – Machinery and Equipment", when carrying out valuation work on machinery and equipment, the applicability of the three basic valuation methods–the cost approach, the market approach and the income approach–should be analysed based on the valuation objective, the subject of valuation, the type of value and the availability of data, and a valuation method should be selected. In this instance, following an analysis of the characteristics, uses and data availability of the various types of equipment involved, the cost approach has been primarily adopted for the valuation.

Following an analysis of the characteristics, uses and data availability of the various types of equipment involved at the entity being valued, the replacement cost approach has been primarily adopted for the valuation.

▲Cost Approach: An asset valuation method that determines the value of the subject property by reconstructing or replacing it under current market conditions, based on the objective necessary costs reflecting the general level of productivity in society, after deducting relevant depreciation (physical depreciation, functional depreciation and economic depreciation).

Replacement cost generally refers to the cost of renewal or replacement, comprising direct costs, indirect costs, capital costs, taxes and duties, and a reasonable profit margin.

Valuation = Replacement Cost – Physical Depreciation – Functional Depreciation – Economic Depreciation

= Replacement Cost × Comprehensive Renewal Rate

(1) Machinery, Equipment and Other Electronic Devices

A. Determination of Replacement Cost

The replacement cost of machinery and equipment comprises the purchase price of the equipment, freight and handling charges, installation and commissioning costs, preliminary works and other expenses, and capital costs. For electronic and other equipment of relatively low value, where installation is not required (or is the responsibility of the vendor) and transport costs are low, the value is determined directly by reference to the current market purchase price excluding VAT.

In accordance with the Value-Added Tax Law of the People's Republic of China effective from 1 January 2026, the Notice of the Ministry of Finance and the State Administration of Taxation on Several Issues Concerning the Nationwide Implementation of the VAT Transformation Reform (Cai Shui [2008] No. 170) effective from 1 January 2009, and the relevant provisions of the Notice on Issues Concerning Input VAT Deduction for Fixed Assets (Cai Shui [2009] No. 113) issued by the Ministry of Finance and the State Administration of Taxation, effective from 1 January 2009, general VAT taxpayers may deduct input VAT incurred on the purchase or self-construction of fixed assets from their output VAT, provided they hold special VAT invoices, special customs import VAT payment vouchers and transport cost settlement documents. Consequently, the replacement cost of equipment meeting the above conditions in this valuation does not include VAT.

Formula for calculating replacement cost:

Replacement cost of equipment (excluding VAT) = Purchase price of equipment (excluding VAT) + Transport and handling charges (excluding VAT) + Installation and commissioning costs (excluding VAT) + Preliminary works and other expenses (excluding VAT) + Capital costs

For electronic and other equipment of relatively low value, where installation is not required (or is the responsibility of the vendor) and transport costs are low, the value shall be determined by reference to the current market purchase price excluding VAT.

① Determination of the Equipment Purchase Price

For small and medium-sized equipment, the purchase price is determined by consulting equipment quotation information as at the valuation date; for equipment without direct market quotation information, the purchase price is primarily determined by reference to the current market purchase price of similar equipment.

② Determination of Transport and handling charges, Installation and Commissioning Costs, Preliminary Works and Other Expenses

Upon analysis, transport and handling charges, installation and commissioning costs, preliminary works and other expenses need not be considered for this equipment.

③ Determination of capital costs

Upon analysis, as the installation cycle for this equipment is relatively short, capital costs need not be taken into account.

B. Determination of the comprehensive renewal rate

△ Comprehensive renewal rate = Theoretical renewal rate × Adjustment coefficient K

Where: Theoretical renewal rate = Remaining useful life ÷ (Elapsed useful life + Remaining useful life) × 100%

Adjustment coefficient K = K1 × K2 × K3 × K4 × K5

The various adjustment coefficients are primarily determined following an investigation into the equipment's original manufacturing quality, operational status and failure frequency, maintenance history, utilisation rate, and environmental conditions.

△ For general simple equipment, the comprehensive renewal rate is determined directly using the theoretical renewal rate or observed values.

C. Determination of the Valuation

Valuation = Full Replacement Cost × Comprehensive Renewal Rate

5. Intangible Assets – Other Intangible Assets

Intangible assets primarily consist of copyrights, trademark rights and distribution rights. In accordance with the Asset Valuation Practice Standards – Intangible Assets, the methods for determining the value of intangible assets include three basic approaches – the market approach, the income approach and the cost approach – along with their derivative methods. A reasonable valuation method is selected following a thorough understanding of the circumstances surrounding the valuation subject and the data collected, and an analysis of the applicability of the aforementioned three basic approaches.

▲Income Approach: Based on information regarding the intangible asset under valuation, the expected future income generated by the asset is estimated by considering the historical performance and future prospects of the asset itself or similar intangible assets, in conjunction with the financial performance of the enterprise that currently utilises or intends to utilise the asset. The market value of the intangible asset is then determined by discounting this expected income using a discount rate consistent with the basis of the expected income.

▲Cost Approach: Based on the total inputs required to create the intangible asset, and taking into account the correlation between the value of the intangible asset and its cost, the replacement cost is determined by calculating reasonable costs, profits and relevant taxes and duties. The market value of the subject intangible asset is then derived after accounting for depreciation factors.

▲ Market Approach: Based on the existence of an active market for the intangible assets under valuation or similar intangible assets, market transaction information – including transaction prices, dates and terms – is collected from comparable transactions involving similar intangible assets. After making necessary adjustments to this transaction information, the market value of the intangible assets under valuation is derived.

For intangible assets such as trademarks and copyrights, there is no significant correlation with the company's revenue or profits, nor do they generate excess revenue for the company. Furthermore, as there are no relevant comparable cases for the assets subject to valuation in the market, the cost approach is adopted for the valuation of copyrights and trademarks within the off-balance-sheet intangible assets.

With regard to the intangible asset of distribution rights, the balance sheet only reflects the security deposit and a small amount of related administrative fees; the historical investment cost is extremely low and fails to reflect its inherent core intrinsic value, such as the inherent regional operating location, stable customer base, end-customer resources and channel barriers. If the cost approach were adopted for valuation, it would very likely result in a severe undervaluation of the asset; therefore, the cost approach is not applicable. Furthermore, pharmaceutical retail distribution rights possess highly individual and exclusive characteristics. The companies held by the Target Group differ significantly in terms of the scope of their catchment areas, store network layouts, medical insurance designated provider qualifications, and product category structures, it is difficult to find comparable transaction cases in the market that closely match the transaction background, operational scale, risk characteristics and licensing terms. Furthermore, information regarding private transfers within the industry is opaque, and valuation multiples are subject to significant fluctuations due to the impact of centralised procurement and medical insurance policies, making it difficult to apply reasonable adjustments; consequently, the market approach is not applicable. The Target Company in this case possesses a stable scale of operating revenue, a mature customer base at the point of sale, and regional pharmaceutical distribution qualifications. The core value of its distribution rights does not lie in historical investment costs, but rather in the expected profitability it can exclusively enjoy during future operations–derived from existing business scale, channel resources, and regional access qualifications–through the margin between purchase and sale prices, manufacturer rebates, and sustained customer flow. The income approach can reasonably reflect the long-term intrinsic value of the distribution rights and the nature of franchise profits; therefore, it is appropriate to adopt the income approach to value these pharmaceutical distribution rights.

Valuation approach using the income approach: For this valuation of the distribution rights, the income allocation method has been employed. This involves taking the projected future revenue of the Target Company as the basis, and calculating the income attributable to the distribution rights by factoring in industry profit margins and the intangible asset allocation rate. This income is then discounted indefinitely to the valuation date to determine the market value of the distribution rights.

Selection of key parameters for distribution rights:

(1) Income parameters: Income for the forecast period from April to December 2026 has been determined primarily on the basis of historical sales data and seasonal factors. Given the current state of the industry, the management anticipates that significant expansion will be difficult to achieve; therefore, the income growth rate for the forecast period from 2027 to 2030 has been set at 0%, with forecasts based on the income scale for 2026.

(2) Sustainable growth rate: Given that the company's business structure has stabilised and there is no clear scope for long-term expansion or exceptional growth, the sustainable growth rate is set at 0%.

(3) Discount rate: The discount rate is set at 12.22%, determined by applying a individual risk-adjusted premium to the risk-free rate. This involves using the benchmark risk-free rate as a base and incorporating the subject's specific characteristics, operational uncertainties and unique risk factors to reasonably determine the individual risk premium, thereby finalising the applicable discount rate.

The sensitivity analysis is as follows:

Change in discount rate ±0.5%	**+0.50%**	**0.00%**	**-0.50%**
Valuation (RMB10,000)	6,230.08	6,410.08	6,610.08
Rate of change	-2.81%		3.12%
Absolute change in annual income ±3%	**-3.00%**	**0.00%**	**+3.00%**
Valuation (RMB10,000)	6,270.08	6,410.08	6,560.08
Rate of change	-2.18%		2.34%

6. Liabilities

Liabilities primarily comprise current liabilities and non-current liabilities. Following a thorough review and verification, the valuation is determined by the amounts of debt and liabilities that the subject entity would actually be required to bear following the implementation of the economic transaction for the valuation purpose.

The following is the text of a report received from the Reporting Accountants, Ernst & Young, Certified Public Accountants, Hong Kong, for the purpose of inclusion in this announcement.



Ernst & Young
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Quarry Bay, Hong Kong

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To the Directors of Sipai Health Technology Co., Ltd.

We have been engaged to report on the arithmetical accuracy of the calculations of the revenue forecast (the "**Forecast**") on which the valuation dated 22 April 2026 prepared by Orient Appraisal Co., Ltd. ("**上海東洲資產評估有限公司**") in respect of the appraised value of equity interest of Sipai Zhihe Technology (Guangzhou) Co., Ltd. ("**思派致合科技(廣州)有限公司**") (the "**Target**") as at 31 March 2026 is based. The valuation is set out in the announcement Sipai Health Technology Co., Ltd. (the "**Company**") dated 14 May 2026 (the "**Announcement**") in connection with the deemed disposal of equity interest in the Target. The valuation based on the Forecast is regarded by The Stock Exchange of Hong Kong Limited as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Directors' responsibilities

The directors of the Company (the "**Directors**") are solely responsible for the Forecast. The Forecast has been prepared using a set of bases and assumptions (the "**Assumptions**"), the completeness, reasonableness and validity of which are the sole responsibility of the Directors. The Assumptions are set out on pages 5 to 7 of the Announcement.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements*, and *Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' responsibilities

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the Forecast based on our work. The Forecast does not involve the adoption of accounting policies.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the Forecast in accordance with the Assumptions adopted by the Directors. Our work consisted primarily of checking the arithmetical accuracy of the calculations of the Forecast prepared based on the Assumptions made by the Directors. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

We are not reporting on the appropriateness and validity of the Assumptions on which the Forecast are based and thus express no opinion whatsoever thereon. Our work does not constitute any valuation of the Target. The Assumptions used in the preparation of the Forecast include hypothetical assumptions about future events and management actions that may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Forecast and the variation may be material. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.60A(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

Opinion

Based on the foregoing, in our opinion, so far as the arithmetical accuracy of the calculations of the Forecast is concerned, the Forecast has been properly compiled in all material respects in accordance with the Assumptions adopted by the Directors.

Ernst & Young
Certified Public Accountants
Hong Kong
14 May 2026

The following is the letter received from the Financial Adviser, Ignite Capital (Asia Pacific) Limited, for the purpose of inclusion in this announcement.

14 May 2026

Ignite Capital

The board of directors
Sipai Health Technology Co., Ltd.
1603-1605A, 16/F
Tower 1, Kerry Enterprise Center
128 Tianmu West Road
Jing'an District, Shanghai
PRC

Dear Sir,

Discloseable transaction
Disposal of 100% equity interest in the Target Company

We refer to the announcement of Sipai Health Technology Co., Ltd. (the "**Company**") dated 22 April 2026 (the "**Announcement**") in respect of the Disposal. Unless otherwise specified, terms used in this letter shall have the same meanings as those defined in the Announcement.

According to the Valuation Report prepared by the Valuer, the Appraisal was based on the cost approach, under which the intangible assets were valued through income approach, taking into account the future economic benefits expected to be generated by such assets to the Target Group. On this basis, the valuation constitutes a profit forecast (the "**Profit Forecast**") under Rule 14.61 of the Listing Rules.

In accordance with the instructions of the Company, we have reviewed the Profit Forecast, for which the Directors are solely responsible. We have also discussed with the management of the Company and the Valuer the bases and assumptions on which the Profit Forecast has been prepared. In addition, we have considered the letter from the reporting accountants to the Company as set out in Appendix II to the announcement of the Company dated 14 May 2026, regarding the arithmetical accuracy of the calculations of the appraised value of the intangible assets.

The Profit Forecast has been prepared using a set of assumptions, including certain hypothetical assumptions about future events and other assumptions which may or may not materialize. Accordingly, actual results may differ from those projected under the Profit Forecast, and such difference may be material.

We have assumed that all information, materials and representations referred to or contained in the valuation and Profit Forecast were true, accurate, complete and not misleading at the time they were supplied or made, and remained so up to the valuation date, and that no material facts or information have been omitted from the information and materials provided to us. No representation or warranty, expressed or implied, is given by us to the accuracy, truth or completeness of such information, materials, opinions and/or representations.

Based on the foregoing, we confirm that the Profit Forecast, for which the Directors are solely responsible, has been made by the Directors after due and careful enquiry.

This letter is for the sole purpose of Rule 14.60A(3) of the Listing Rules and for no other purpose. We accept no responsibility whatsoever to any other person in respect of, arising out of or in connection with this letter.

Yours faithfully,

For and on behalf of
Ignite Capital (Asia Pacific) Limited
Li Lan
Managing Director