新富證券有限公司
SANFULL SECURITIES LIMITED
Registered Dealer of The Securities & Futures Commission (CE No. AAC648)

12 November 2026

To the Shareholders

Dear Sir or Madam,

MANDATORY UNCONDITIONAL CASH OFFER BY SANFULL SECURITIES LIMITED FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE ALREADY OWNED BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT)

INTRODUCTION

Reference is made to the Joint Announcement in relation to, among other things, the Sale and Purchase Agreements and the Offer.

As disclosed in the Joint Announcement, on 6 October 2026, (a) the Offeror (as purchaser) and Vendor A (as vendor) entered into the Sale and Purchase Agreement A for the sale and purchase of 224,000,000 Shares (namely the Sale Shares A), representing 40.0% of the Shares in issue as at the date of the Joint Announcement at a total consideration of HK$32,032,000, equivalent to HK$0.143 per Share; (b) CSI Floorings (as purchaser) and Vendor A (as vendor) entered into the Sale and Purchase Agreement B for the sale and purchase of 67,838,960 Shares (namely the Sale Shares B), representing approximately 12.11% of the Shares in issue as at the date of the Joint Announcement at a total consideration of HK$9,700,971.28, equivalent to HK$0.143 per Share; and (c) GanLan Investments (as purchaser) and Vendor B (as vendor) entered into the Sale and Purchase Agreement C for the sale and purchase of 128,161,040 Shares (namely the Sale Shares C), representing approximately 22.89% of the Shares in issue as at the date of the Joint Announcement at a total consideration of HK$18,327,028.72, equivalent to HK$0.143 per Share.

On 6 October 2026, in conjunction with the Sale and Purchase Agreements, each of CSI Floorings and GanLan Investments executed the Irrevocable Undertakings in favour of the Offeror, pursuant to which each of CSI Floorings and GanLan Investments has irrevocably undertaken to the Offeror, among other things, that after Completion, it will not sell, transfer, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of (as the case may be) the Sale Shares B and Sale Shares C prior to the expiry of the Offer Period except as security for the Loan Facility.

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Completion under the Sale and Purchase Agreements are inter-conditional on each other and shall take place simultaneously on the Completion Date. Completion took place on 26 October 2026.

Immediately before Completion, the Offeror, its ultimate beneficial owner and the parties acting in concert with it (including CSI Floorings, GanLan Investments and their respective ultimate beneficial owners) did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

Immediately following the Completion and as at the Latest Practicable Date, each of the Vendors has ceased to have any interest in the Shares, where the Offeror and the parties acting in concert with it are interested in 420,000,000 Shares (comprising 224,000,000 Shares held by the Offeror; 67,838,960 Shares held by CSI Floorings; and 128,161,040 Shares held by GanLan Investment), representing in aggregate 75.0% of the entire issued share capital of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer to acquire all the issued Shares (other than those already owned by the Offeror and the parties acting in concert with it (including CSI Floorings, GanLan Investments and their respective ultimate beneficial owners)).

As at the Latest Practicable Date, the Company has 560,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company, and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

This letter forms part of the Composite Document and sets out, among other things, the principal terms of the Offer, together with the information of the Offeror and the intention of the Offeror in relation to the Company and the Group. Further details of the Offer and the procedures for accepting the Offer are also set out in Appendix I to the Composite Document and the accompanying Acceptance Form.

Your attention is also drawn to information contained in the letter from the Board, the letter from the Independent Board Committee, the letter from the Independent Financial Adviser and the appendices set out in the Composite Document. You are advised to read and consider all the information contained in the Composite Document before reaching a decision as to whether or not to accept the Offer.

The Offer

Sanfull Securities, on behalf of the Offeror and in compliance with the Takeovers Code, makes the Offer on the terms set out in the Composite Document and in the Acceptance Form, in accordance with the Takeovers Code on the following basis:

For each Offer Share..... HK$0.143 in cash

The Offer Price of HK$0.143 per Offer Share under the Offer is equal to the price per Sale Shares paid by each of the Offeror, CSI Floorings and GanLan Investments under the Sale and Purchase Agreements. The consideration for the Sale Shares, which was agreed between the Offeror and each of the Vendors after arm's length negotiations with reference to (i) the financial performance of the Group's business for the year ended 31 December 2025 and the six months ended 30 June 2026; (ii) the established brand portfolio of fast fashion goods, extensive online sales network and product design capabilities of the Group; and (iii) the historical share price movements, the trading volume and the closing prices of the Shares traded on the Stock Exchange in the last three months prior to the date of the Sale and Purchase Agreements.

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

The Offer is extended to all Independent Shareholders in accordance with the Takeovers Code. As at the Latest Practicable Date, none of the members of the Offeror, its ultimate beneficial owners and parties acting in concert with any of them has received any irrevocable commitment to accept or not to accept the Offer.

The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching thereto, including but not limited to all rights to any dividend or other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

The procedures for acceptance and further details of the Offer are set out in Appendix I to the Composite Document and the accompanying Acceptance Form.

If after the date of the Composite Document, any dividend, distribution and/or return of capital is announced, declared, made and/or paid in respect of the Shares, the Offeror will reduce the Offer Price by the gross amount of the dividend, distribution and/or return of capital paid or made by the Company in respect of each Offer Share to such Independent Shareholders who accept or have accepted the Offer, and, unless otherwise specified or the context otherwise requires, any reference in the Joint Announcement, this Composite Document or any other announcement in relation to the Offer to the Offer Price will be

deemed to be a reference to the Offer Price so reduced. Any such reduction will only apply to the Offer Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital.

The Company confirms that as at the Latest Practicable Date, (i) it has not declared any dividend or other distributions which have not yet paid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions until after the close of the Offer.

Comparison of value

The Offer Price of HK$0.143 per Offer Share represents:

(i) a discount of approximately 19.2% over the closing price of HK$0.177 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a premium of approximately 34.9% over the closing price of HK$0.106 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a premium of approximately 38.8% over the average closing price of HK$0.103 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;

(iv) a premium of approximately 45.9% over the average closing price of approximately HK$0.098 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;

(v) a premium of approximately 81.0% over the average closing price of HK$0.079 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;

(vi) a premium of approximately HK$0.162 over the audited consolidated net liabilities per Share of approximately HK$0.019 as at 31 December 2025, which was calculated based on the Group's audited consolidated net liabilities of approximately RMB9,017,000 (equivalent to approximately HK$10,504,426) as at 31 December 2025 and 560,000,000 Shares in issue as at the Latest Practicable Date; and

(vii) a premium of approximately HK$0.155 over the unaudited consolidated net liabilities per Share of approximately HK$0.012 as at 30 June 2026, which was calculated based on the Group's unaudited consolidated net liabilities of approximately RMB5,746,000 (equivalent to approximately HK$6,693,849) as at 30 June 2026 and 560,000,000 Shares in issue as at the Latest Practicable Date.

Highest and lowest Share Prices

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period were HK$0.202 per Share (on 26 October 2026) and HK$0.028 per Share (on 30 April 2026, 4 May 2026, 5 May 2026 and 6 May 2026), respectively.

Irrevocable Undertakings

Each of CSI Floorings and GanLan Investments executed the Irrevocable Undertakings in favour of the Offeror, pursuant to which each of CSI Floorings and GanLan Investments has irrevocably undertaken to the Offeror, among other things, that after Completion, it will not sell, transfer, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of (as the case may be) the Sale Shares B and Sale Shares C prior to the expiry of the Offer Period except as security for the Loan Facility.

Each Irrevocable Undertaking shall terminate upon the Offer closing, lapsing or being withdrawn.

As at the Latest Practicable Date, (i) CSI Floorings owned 67,838,960 Shares, representing approximately 12.11% of the entire issued share capital of the Company as at the Latest Practicable Date and (ii) GanLan Investments owned 128,161,040 Shares, representing approximately 22.89% of the entire issued share capital of the Company as at the Latest Practicable Date.

Value of the Offer

As at the Latest Practicable Date, there are 560,000,000 Shares in issue. Based on the Offer Price of HK$0.143 per Offer Share, the entire issued share capital of the Company would be valued at HK$80,080,000.

Assuming there is no change in the total issued Shares from the Latest Practicable Date up to and including the close of the Offer, based on the Offer Price of HK$0.143 per Offer Share and 140,000,000 Offer Shares, the maximum cash consideration payable by the Offeror under the Offer is HK$20,020,000.

Confirmation of financial resources available for the Offer

The Offeror intends to finance and satisfy the consideration payable under the Offer by the Loan Facility and internal resources. The Offeror has entered into the Facility Agreement under which the Offeror is required to pledge all existing Shares held by the Offeror, the Sale Shares A and all the Offer Shares that may be acquired by the Offeror pursuant to the Offer as collateral throughout the term of the Loan Facility.

The Offeror confirms that the payment of interest on, repayment of, or provision of security for any liability (contingent or otherwise) in relation to the Facility Agreement does not depend to any significant extent on the business of the Group. Messis Capital, as the

Financial Adviser to the Offeror, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable in respect of full acceptance of the Offer.

PROCEDURES FOR ACCEPTANCE OF THE OFFER

To accept the Offer, you should complete and sign the accompanying Acceptance Form in accordance with the instructions printed thereon, which form part of the terms and conditions of the Offer.

The duly completed and signed Acceptance Form, should be sent by post or by hand, together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), in respect of the number of Offer Shares for which you intend to accept the Offer, to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in an envelope marked "**Sling Group Holdings Limited — Offer**" so as to reach the Registrar as soon as possible but in any event no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive in accordance with the Takeovers Code.

No acknowledgment of receipt of any Acceptance Form, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Offer as set out in Appendix I to the Composite Document and the accompanying Acceptance Form.

Effect of accepting the Offer

The Offer is unconditional in all respects and is not conditional upon acceptance being received in respect of a minimum number of Offer Shares or any other conditions.

The Offer is extended to all Shareholders other than the Offeror and/or parties acting in concert with it in accordance with the Takeovers Code. By accepting the Offer, the Independent Shareholders will sell their Shares to the Offeror free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of despatch of this Composite Document. As at the Latest Practicable Date, the Company does not have any other dividends or distributions announced, declared, recommended or made but unpaid and the Company does not intend to declare any dividend and/or make any distributions before the close of the Offer.

Acceptance of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong Stamp duty

The seller's Hong Kong ad valorem stamp duty at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with acceptances of the Offer and transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment in cash in respect of acceptances of the Offer, net of the seller's Hong Kong ad valorem stamp duty, will be made as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed forms of acceptance of the Offer and the relevant documents of title to the Shares in respect of such acceptances are received by or on behalf of the Offeror to render each such acceptance complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of consideration payable to an accepting Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with it, the Company, Kingsway Capital, Messis Capital, Sanfull Securities, the Independent Financial Adviser and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation or other effects on, or liabilities of, any persons as a result of their acceptances or rejections of the Share.

Overseas Shareholders

The making of the Offer to the Independent Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions. Such Independent Shareholders may be prohibited or affected by the laws of the relevant jurisdictions and it is the responsibility of each such Independent Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Independent Shareholder in such relevant jurisdictions.

Any acceptance by any overseas Independent Shareholders will be deemed to constitute a representation and warranty from such Independent Shareholder to the Offeror that all laws, regulations and requirements applicable to that Independent Shareholder have been complied with and that the Offer can be lawfully accepted by such Independent Shareholder under the laws and regulations of the relevant jurisdiction. Independent Shareholders should consult their own professional advisers if in doubt.

Based on the Register of Members as at the Latest Practicable Date, the Company has no overseas Independent Shareholders.

INFORMATION ON THE COMPANY AND THE GROUP

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands on 6 January 2017. The Company is an investment holding company and the Group is principally engaged in the design and sale of women's handbags, small leather goods, luggage and travel goods in the retail and consumer goods industry in the PRC.

Financial information of the Group and general information of the Group is set out in Appendix II and Appendix III to the Composite Document, respectively.

INFORMATION ON THE OFFEROR AND PARTIES ACTING IN CONCERT WITH THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability. The Offeror is principally engaged in investment holding. It is legally, beneficially and wholly owned by Ms. Tan, who is also the sole director of the Offeror.

Ms. Tan has over 25 years of experience in corporate management and business operations in the PRC. She is the founder of (i) Shenzhen Aimei Technology Co., Ltd.* (深圳市艾美科技有限公司), a company established in the PRC and is principally engaged in the research and development, manufacture and sale of digital electronic products, as well as domestic trading with sales to various overseas markets including the United States, Hong Kong and the United Arab Emirates, and (ii) OME International (HK) Enterprises Co., Limited (艾美國際(香港)企業有限公司), a company incorporated in Hong Kong and is principally engaged in the sale of digital electronic products to the United States, Hong Kong and the United Arab Emirates.

The Offeror, CSI Floorings and GanLan Investments, by entering into the Sale and Purchase Agreements, which are inter-conditional on each other, cooperate to obtain or consolidate control of the Company. Accordingly, each of CSI Floorings and GanLan Investments is acting in concert with the Offeror under the Takeovers Code. Ms. Tan, Ms. Xue, Mr. Li and Ms. Na became acquainted with one another through business events or introductions by mutual contacts. Mr. Li and Ms. Na are business partners through their investment in GanLan Investments. Save for the above, there is no other relationship or past dealings between Ms. Tan, Ms. Xue, Mr. Li and Ms. Na.

CSI Floorings is a company incorporated in Hong Kong with limited liability. CSI Floorings is principally engaged in the design, manufacture and sales of carpets, rugs and other flooring products for residential, hospitality, retail and commercial applications with production base in the PRC and sales to various markets worldwide. It is legally, beneficially and wholly owned by Ms. Xue, who is also the sole director of CSI Floorings.

Ms. Xue has approximately 22 years of experience in business management and development and sales and marketing in the high-end home décor and flooring industry. She has served as the director of CSI Floorings since August 2016 and continues to hold such position as at the Latest Practicable Date.

GanLan Investments is a company incorporated in Dubai under the DIFC Law. GanLan Investments is principally engaged in investment holding. It is legally and beneficially owned as to 51% by Mr. Li and 49% by Ms. Na, who are directors of GanLan Investments.

Mr. Li has over 17 years of experience in corporate management and operations, healthcare investment, strategic planning and business development in the medical and healthcare services industry in the PRC. He has been focusing on early-to-mid-stage healthcare and biomedical venture capital investments, with extensive experience in life sciences, biotechnology, AI healthcare, innovative drugs, and novel medical devices. He has also been focusing on the intersection of AI and healthcare, with a particular emphasis on research and investment in AI applications across radiology, pathology, multi-omics, molecular compound screening, and intelligent rehabilitation. Mr. Li served as executive director of Carry Wealth Holdings Limited (Stock Code: 0643.hk) from 30 June 2026 to 28 October 2026.

Ms. Na has approximately 3 years of experience in business management in the real estate industry in the PRC. She has served as a duty manager in a real estate development company in the PRC since September 2023 and continues to hold such position as at the Latest Practicable Date. She is responsible for business development and planning and formation of product and marketing strategy. Ms. Na obtained a bachelor's degree in business administration from the University of Liverpool in 2021 and a master's degree in political economy from the University of Manchester in 2023.

Ms. Tan, Ms. Xue, Mr. Li and Ms. Na are optimistic on the business prospects of the Company and consider that the acquisition of Sales Shares could achieve long-term growth and returns. They believe that, by leveraging their experience in corporate management, business operations and sales and marketing in the retail, manufacturing and consumer goods industries in the PRC, they will be well positioned to expand the Group's sales and marketing channels, enhance its operational performance and facilitate its future business development and growth.

Save for being a party acting in concert with the Offeror by entering into the Sale and Purchase Agreements and the pledge of the Sale Shares B and the Sale Shares C to secure the Loan Facility, each of CSI Floorings and GanLan Investments and their respective ultimate beneficial owners does not have any relationship with the Offeror and/or its

ultimate beneficial owner. Save for the above, there is no relationship between CSI Floorings and its ultimate beneficial owner on one hand and GanLan Investments and its ultimate beneficial owners on the other hand.

THE OFFEROR'S INTENTION ON THE GROUP

It is the intention of the Offeror that the Group will continue with its existing principal business. Ms. Tan, Ms. Xue, Mr. Li and Ms. Na possess relevant experience in corporate management, business operations, sales and marketing and investment across a broad range of industries and sectors in the PRC, with experience in the retail, manufacturing and consumer goods industries. The Offeror does not intend to (i) discontinue the employment of any employees of the Group (save for changes in the composition of the Board as set out below); or (ii) downsize, cease, dispose of any of the Group's existing business, operations; or (iii) re-deploy any of the assets of the Group other than those in its ordinary and usual course of business.

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group as and when appropriate. As at the Latest Practicable Date, the Offeror has no plan or proposal in relation to such business opportunities. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be in compliance with the GEM Listing Rules.

As at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

Proposed change of Board composition

As at the Latest Practicable Date, (i) the executive Directors are Mr. Yau Frederick Heng Chung and Mr. Lee Tat Fai Brian; (ii) the non-executive Directors are Mr. Yau Sonny Tai Nin and Mr. Yau Tai Leung Sammy; and (iii) the independent non-executive Directors are Mr. Won Chik Kee, Ms. Sit Ting Fong and Mr. Wai Yau Hang. No Directors will resign before the close of the Offer.

The letters of resignation of executive Director (being Mr. Lee Tat Fai Brian), all current non-executive Directors and all current independent non-executive Directors of the Company resigning from their respective offices as Directors with effect on the earliest date as permitted by the Takeovers Code and as agreed by the Offeror, have been delivered to the Offeror upon Completion. Save and except for Mr. Yau Frederick Heng Chung, the

resignation of all other existing Directors will become effective from a date which is no earlier than such date as permitted under the GEM Listing Rules and the Takeovers Code (i.e. after the publication of the closing announcement on the Closing Date).

The Offeror intends to nominate new Director(s) to the Board with effect from a date which is no earlier than such date as permitted under the GEM Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror is in the process of identifying suitable candidates. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) will be made as and when appropriate.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

(a) if, at the close of the Offer, the Stock Exchange believes that:

— a false market exists or may exist in the trading of the Shares; or

— an orderly market does not exist or may not exist;

it will consider exercising its discretion to suspend dealings in the Shares; and

(b) if, at the close of the Offer, the Company has a Significant Public Float Shortfall (as defined in Rule 17.37F of the GEM Listing Rules), then:

— the Stock Exchange will add a designated marker to the stock name of the Shares;

— the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 17.37B of the GEM Listing Rules for a continuous period of 12 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the issued Shares to remain listed on the Stock Exchange. The sole director of the Offeror and the new Directors to be appointed to the Board will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 17.37B of the GEM Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 17.37B of the GEM Listing Rules at the earliest possible moment.

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 17.37B(1) of the GEM Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not

limited to placing down or selling sufficient number of accepted Shares which it will acquire from the Offer to Independent Third Parties, whom will also not be acting in concert with the Offeror, CSI Floorings, GanLan Investments and their respective ultimate beneficial owners and parties acting in concert with any of them, or in market. No arrangements have been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

COMPULSORY ACQUISITION

The Offeror does not intend to exercise any right which may be available to it to acquire compulsorily any Shares not tendered for acceptance under the Offer.

GENERAL

All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the Register of Members, or, in case of joint holders, to the Independent Shareholder whose name appears first in the Register of Members. None of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them, the Company, Kingsway Capital, Messis Capital, Sanfull Securities, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer set out in the appendices to the Composite Document and the accompanying Acceptance Form, which form part of the Composite Document. You are reminded to read carefully the "Letter from the Board", the "Letter from the Independent Board Committee" and the letter of advice by the Independent Financial Adviser to the Independent Board Committee in respect of the Offer as set out in the "Letter from the Independent Financial Adviser" as contained in the Composite Document, and to consult your professional advisers as you see fit and necessary, before deciding whether or not to accept the Offer.

Yours faithfully,
For and on behalf of
SANFULL SECURITIES LIMITED

Henry Chan
Managing Director