

29 May 2026

To the Independent Board Committee and Independent Shareholders

Dear Sirs or Madams,

**CONTINUING CONNECTED TRANSACTIONS
FRAMEWORK AGREEMENT IN RELATION TO
PROVISION OF PLATFORM SERVICES
AND VIRTUAL ASSET TRADES**

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and Independent Shareholders in respect of the Framework Agreement (as amended by the Supplemental Framework Agreement) and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 29 May 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context otherwise requires.

References are made to the announcements of the Company dated 20 January 2026 and 8 April 2026 in relation to the Framework Agreement and the Supplemental Framework Agreement, respectively. On 20 January 2026, BGE and QUL, each a wholly-owned subsidiary of the Company, entered into the Framework Agreement with MMK pursuant to which (i) BGE will provide the Platform Services to MMK; (ii) MMK will send trade/price quote requests on the Platform; and (iii) QUL will upon request by the Platform (after receiving trade/price quote request) conduct the VA Trades with MMK through BGE on the Platform, from time to time during the Term subject to the terms and conditions therein. On 8 April 2026, BGE and QUL entered into the Supplemental Framework Agreement with MMK pursuant to which, among others, (i) the original annual caps under the Framework Agreement will be revised; and (ii) the original term of the Framework Agreement will be amended such that the Revised Term will commence from the Effective Date and shall continue up to 30 June 2029 (both dates inclusive).

As at the Latest Practicable Date, MMK is wholly-owned by MMK Holdings, which is 94% owned by Mr. Lin, an executive Director and a controlling shareholder of the Company. MMK is an associate of Mr. Lin and hence a connected person of the Company. Accordingly, the transactions contemplated under the Framework Agreement (as amended by the Supplemental Framework Agreement) constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable Percentage Ratios in respect of the revised annual caps under the Framework Agreement (as amended by the Supplemental Framework Agreement), on an annual basis, exceeds 5% and the annual amount exceeds HK\$10,000,000, the Proposed Transactions constitute non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Framework Agreement (as amended by the Supplemental Framework Agreement) and the transactions contemplated thereunder (including the revised annual caps). Mr. Lin and his associate(s) are required to abstain from voting on the relevant resolution(s) at the EGM. To the best of the knowledge, information and belief of the Directors, no other Shareholder is required to abstain from voting on the relevant resolution(s) at the EGM.

An Independent Board Committee, comprising all independent non-executive Directors, namely Mr. Siu Man Ho Simon, Prof. Pong Kam Keung, Mr. Choi Tan Yee and Ms. Lam Lam Nixie, has been established to advise the Independent Shareholders in respect of the Framework Agreement (as amended by the Supplemental Framework Agreement) and the revised annual caps. We, Messis Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in these regards.

As at the Latest Practicable Date, we do not have any relationship with or interest in the Company, or any other relevant parties that could reasonably be regarded as impairing our independence. Save for the normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we have received or will receive any fees or benefits from the Company or any other parties that could compromise our independence pursuant to Rule 13.84 of the Listing Rules. During the past two years, we have not been appointed as an independent financial adviser for the Company. Accordingly, we consider that we are independent from the Company pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Group, the Directors and the management of the Group (the “**Management**”). We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the Management for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Management.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the document misleading.

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 material facts or circumstances 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. We have not, however, carried out any independent verification of the information provided by the Group, the Directors and the Management, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the Framework Agreement and the transactions contemplated thereunder, in accordance with the Listing Rules.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Framework Agreement (as amended by the Supplemental Framework Agreement) and the transactions contemplated thereunder, and the revised annual caps. Except for its inclusion in the Circular, this letter 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 opinions and recommendations, we have taken into consideration the following principal factors and reasons:

1. Background information on the parties to the Framework Agreement

1.1 Background information on the Company

The Company is an investment holding company. The Group has four operating segments: (i) the engineering business segment which engaged in provision of integrated designs and building services for hospitals and clinics in Singapore, maintenance and other service as well as sales of tools and materials; (ii) the fintech platform business segment which is engaged in provision of virtual assets platform services; (iii) the trading and asset management segment which is engaged in trading of derivatives and provision of advisory and asset management services; and (iv) the investment holding segment which is engaged in investment holding activities and corporate management.

1.2 Financial performance of the Company

Set out below are the consolidated financial information of the Company for the two years ended 30 June 2024 and 2025 as extracted from the annual report of the Company for the year ended 30 June 2025 (the “2025 Annual Report”), and for the six months ended 31 December 2024 and 2025 as extracted from the interim results announcement of the Company for the six months ended 31 December 2025 (the “2026 Interim Results”):

	For the year ended		For the six months ended	
	30 June		31 December	
	2024	2025	2024	2025
	S\$	S\$	S\$	S\$
	(audited)	(audited)	(unaudited)	(unaudited)
Revenue	18,433,408	22,977,219	10,556,175	10,506,855
Gross profit	8,837,272	9,169,752	2,884,492	4,448,799
Loss for the year/ period	(12,649,151)	(13,627,649)	(7,556,861)	(4,684,667)

For the year ended 30 June 2025

According to the 2025 Annual Report, revenue of the Company for the year ended 30 June 2025 was approximately S\$23.0 million, representing an increase of approximately S\$4.5 million, or 24.6%, as compared to approximately S\$18.4 million for the year ended 30 June 2024. Such increase in revenue was primarily driven by a shift in the project mix in the engineering business of the Group while it engaged fewer but larger projects resulting a higher overall revenue. Gross profit of the Company remained relatively stable at approximately S\$8.8 million and S\$9.2 million for the year ended 30 June 2024 and 2025, respectively. However, gross profit margin of the Company decreased from approximately 47.9% for the year ended 30 June 2024 to approximately 39.9% for the year ended 30 June 2025, primarily attributable to the competitive pricing, increased project complexity and higher cost structure associated with the aforementioned larger projects engaged by the Group during 2025, and hence lower gross profit margins from these projects. Net loss of the Company remained relatively stable at approximately S\$12.6 million and S\$13.6 million for the year ended 30 June 2024 and 2025, respectively.

For the six months ended 31 December 2025

According to the 2026 Interim Results, revenue of the Company remained relatively stable at approximately S\$10.6 million and S\$10.5 million for the six months ended 31 December 2024 and 2025, respectively. Gross profit of the Company increased from approximately S\$2.9 million for the six months ended 31 December 2024 to approximately S\$4.4 million for the six months ended 31 December 2025, representing an increase by approximately 54.2%. Such increase was mainly attributed to effective cost reduction measures, workforce streamlining and optimisation in the engineering business of the Group. The Company recorded net loss of approximately S\$4.7 million for the six months ended 31 December 2025, representing a decrease of approximately 38.0% as compared to approximately S\$7.6 million for the six months ended 31 December 2024. Such decrease was mainly attributable to the aforementioned cost reduction measures.

1.3 Financial position of the Company

	As of 30 June 2024 S\$ (audited)	As of 30 June 2025 S\$ (audited)	As of 31 December 2025 S\$ (unaudited)
Total assets	57,214,598	44,384,124	32,021,775
Total liabilities	30,387,098	31,418,567	23,731,895
Net assets	26,827,500	12,965,557	8,289,880

According to the 2025 Annual Report, total assets of the Company decreased from approximately S\$57.2 million as at 30 June 2024 to approximately S\$44.4 million as at 30 June 2025. Such decrease was mainly due to the decrease in other receivables, deposits and prepayments of approximately S\$18.4 million, mainly due to the decrease in deposits with brokers for the purpose of conducting the derivative trading activities. As at 31 December 2025, total assets of the Company decreased to approximately S\$32.0 million. According to the 2026 Interim Results, such decrease was primarily attributable to (i) the decrease in other receivables, deposits and prepayments by approximately S\$5.5 million; and (ii) the decrease in bank and cash balance by approximately S\$4.0 million.

Total liabilities of the Company remained relatively stable at approximately S\$30.4 million and S\$31.4 million as at 30 June 2024 and 2025, respectively. As at 31 December 2025, total liabilities of the Company decreased to approximately S\$23.7 million, according to the 2026 Interim Results, such decrease was primarily attributable to the decrease in trade and other payables by approximately S\$6.0 million.

As a result of the foregoing, net assets of the Company amounted to approximately S\$13.0 million and S\$8.3 million as at 30 June 2025 and 31 December 2025, respectively.

1.4 Background information of BGE, QUL and MMK

BGE

BGE is a wholly-owned subsidiary of the Company and principally engaged in provision of trading platform business. BGE is a licensed corporation under the SFO and is licensed to carry on Type 1 (dealing in securities) and Type 7 (providing automated trading services) regulated activities under the SFO. BGE also holds a licence under section 53ZRK (1) of the AMLO to provide the service of operating a virtual asset trading platform.

QUL

QUL is a wholly-owned subsidiary of the Company and principally engaged in proprietary trading of complex financial instruments and virtual assets.

MMK

MMK is wholly-owned by MMK Holdings, which is 94% owned by Mr. Lin, an executive Director, the Chairman of the Board and a controlling shareholder of the Company as at the Latest Practicable Date. MMK is principally engaged in the provision of securities brokerage, advisory and underwriting services. The existing and targeted clients of MMK are mainly high-net-worth individuals and institutional clients.

2. The Framework Agreement

2.1 Reasons for and benefits of entering into of the Framework Agreement

In considering whether the entering into of the Framework Agreement (as amended by the Supplemental Framework Agreement) is in the interest of the Company and the Shareholders as a whole, we have discussed with the Management and considered the followings:

The Group's business strategy to develop fintech platform business with an aim to expand revenue stream

The Group has historically been a contractor specialising in radiation shielding works for medical and healthcare facilities in Singapore. To support long-term sustainable growth, the Group has, since 2021, been actively developing a comprehensive fintech service platform covering multiple asset classes, including virtual assets, listed securities, listed bonds and alternative assets.

In order to further expand the fintech platform business of the Group, BGE has been granted by the Securities and Futures Commission on 17 June 2025, (i) a licence under section 116 (1) of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry on Type 1 (Dealing in Securities) and Type 7 (Providing Automated Trading Services) regulated activities; and (ii) a license under section 53ZRK (1) of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) to provide the service of operating a virtual asset trading platform. For further details, please refer to the announcement of the Company dated 18 June 2025.

As stated in the 2026 Interim Report, the Directors considered that with tremendous support from the Hong Kong government to develop Hong Kong as an international financial centre for virtual assets, the Group is confident that the fintech platform business will continue to grow and provide value-add services to various participants in the eco-system such as virtual assets spot exchange-traded funds (ETFs) issuers, token issuers and investors with investment needs in trading virtual assets with state-of-the-arts virtual assets custodian solutions. As such, the management of the Company considers that, through the entering into of the Framework Agreement, the Company can leverage on the customer base of MMK to expand the revenue stream of its fintech platform business with an aim to enhance return to the Shareholders.

Recent development of the virtual assets in Hong Kong

In view of the growing interests in virtual assets, Hong Kong has positioned itself as a leading global hub for virtual assets since 2022. To expedite fintech development, the Hong Kong government issued a policy statement to set out the direction for developing a virtual assets sector and ecosystem in October 2022, followed by the introduction of a licensing regime for virtual assets trading platforms in June 2023.

In 2025, Hong Kong advanced its virtual assets regulatory framework with several key legislative and policy developments, building on prior milestones like the licensing regime, including but not limited to (i) the launch of A-S-P-I-Re roadmap by SFC on 19 February 2025 to enhance access, safeguards, products, infrastructure, and relationships in the virtual assets ecosystem; (ii) the promulgation of the “Policy Statement 2.0 on the Development of Digital Assets in Hong Kong” by the Financial Services and the Treasury Bureau on 26 June 2025, setting out its commitment to establishing Hong Kong as a premier global hub for digital assets; (iii) he

Stablecoins Ordinance (Cap. 656) coming into effect on 1 August 2025, establishing a licensing regime for issuers of fiat-referenced stablecoins under the Hong Kong Monetary Authority; and (iv) the SFC's circulars issued on 3 November 2025 expanding product offerings and services by SFC for licensed Virtual Asset Trading Platforms, including relaxed token admission rules, clarified distribution of tokenized securities, custody updates, and global liquidity access via orderbook integration.

The abovesaid latest development provides a solid foundation on the trading of virtual assets which positions Hong Kong as a trusted, sustainable virtual assets hub and hence provides a positive and long term impact on licensed virtual assets trading platform company such as BGE. As stated in the 2026 Interim Report, as the virtual assets industry continues to bloom, regulators around the globe are paying more attention to the regulations of the virtual assets industry in order to strengthen investor protection. The Group embraces regulations and regards them as opportunities for the long-term development of the industry. The Group is committed to being a regulated and transparent market leader in the virtual assets industry and will continue to closely follow current regulatory requirements, monitor regulatory changes, and react expeditiously to these changes and to hold on to new market opportunities. As such, we concur with the view of the Directors that the entering into of the Framework Agreement (as amended by the Supplemental Agreement) is in ordinary course of business of the Group.

After taking into consideration that (i) BGE has been recently granted with relevant licence in operating fintech platform business; (ii) it is the Group's business strategy to develop fintech platform business with an aim to expand revenue stream; and (iii) the Group has been committed to follow the recent developments on regulation requirements in Hong Kong to operate its fintech platform business, we are of the view that the entering into of the Framework Agreement (as amended by the Supplemental Framework Agreement) is in the ordinary and usual course of business of the Group, and is in the interests of the Company and the Shareholders as a whole.

2.2 *Principal terms of the Framework Agreement (as amended by the Supplemental Framework Agreement)*

The principal terms of the Framework Agreement are set out below:

- Date:** Framework Agreement : 20 January 2026
Supplemental Framework Agreement : 8 April 2026
- Parties:** (i) BGE;
(ii) QUL; and
(iii) MMK.
- Platform Services:** BGE, as the operator of the Platform, in its ordinary and usual course of business will from time to time during the Term, on a non-exclusive basis, provide the virtual asset trading platform and related services to MMK to facilitate the trading (including both on-platform and OTC trades) of virtual assets on the Platform.
- MMK has onboarded as a client of BGE and will from time to time send trade/price quote requests on the Platform for trading of virtual assets. The Group does not intend to charge any custody fees under the Framework Agreement and the Supplemental Framework Agreement.
- The Platform Service Fees in respect of the Platform Services shall be at a rate ranging from 0.03% to 0.25% of the transaction value (to be determined at the sole discretion of BGE), provided always that such rate shall be within the prevailing rates offered by BGE to its customers from time to time. As BGE applies the same pricing policy and standardized fee schedule to all of its client, the rate of platform service fees in the range of 0.03% to 0.25% of the transaction value shall also apply to BGE's clients who are Independent Third Parties.

The Platform Service Fees has been determined on an arm's length basis between BGE and MMK and on normal commercial terms (comparable to service fees that BGE charges its clients who are Independent Third Parties in accordance with the prevailing pricing policy of BGE). The rate of the Platform Service Fees was determined with reference to the following factors:

- (a) Trading Volume per Transaction: a higher trading volume per transaction would generally lead to a lower rate of platform service fees to be charged by BGE in order to incentivize larger trades.
- (b) Asset Type and Volatility: Fiat-referenced, highly liquid stablecoins and their fiat pairs such as HKD/USDC generally incur lower rate of platform service fees due to their price stability. In contrast, other non-pegged virtual assets such as BTC or ETH may incur a higher rate of platform service fees to account for higher operational costs associated with order matching due to greater market volatility and potential price floatation.
- (c) Market Demand: the rate of platform service fees to be charged by BGE would be subject to the prevailing rates offered by market peers from time to time and the prevailing market conditions.

VA Trades:

In relation to the VA Trades, BGE may receive orders from MMK (for and on behalf of its clients) to enter into virtual asset trades which it may trade on the Platform. After MMK initiates an OTC trade, BGE will solicit price quotes from QUL. QUL, as liquidity provider, in its ordinary and usual course of business will from time to time during the Term, on a non-exclusive basis, upon request by the Platform (after receiving trade/price quote request) conduct the trading of virtual assets with MMK (for and on behalf of its clients) through BGE on the Platform. After the price quote is accepted by MMK, BGE will execute and settle the relevant VA Trade. The trading of virtual assets between QUL and MMK through BGE on the Platform shall be carried out solely by OTC trades.

The payment for the Platform Services and the VA Trades shall be settled on a real time basis on the same day of the relevant transactions through direct deduction from the pre-funded fiat or virtual asset balance in the clients' accounts of BGE. Taking into account that the above payment terms are the same as those offered by BGE to its independent clients and are in line with prevailing market practices of other virtual asset trading platforms, the Directors considered that the payment terms for the Platform Services and the VA Trades are fair and reasonable to the Company.

Revised Term:

Revised term shall commence from the Effective Date and shall continue up to up to 30 June 2029 (both dates inclusive).

2.3 Analysis of the principal terms of the Framework Agreement (as amended by the Supplemental Framework Agreement)

As stated in the Letter from the Board, the Platform Service Fees in respect of the Platform Services shall be at a rate in the range of 0.03% to 0.25% of the transaction value (to be determined at the sole discretion of BGE). The Platform Service Fees will be determined on an arm's length basis between BGE and MMK and on normal commercial terms (comparable to service fees that BGE charges its clients who are Independent Third Parties in accordance with the prevailing pricing policy of BGE).

As discussed with the management of the Company, we are given to understand that, prior to the effective of the Framework Agreement, MMK used to engage two virtual trade service providers in Hong Kong, Service Provider A and Service Provider B, which are Independent Third Parties and the shares of which are both listed on the Stock Exchange.

Service Provider A is a Hong Kong-listed licensed virtual asset trading platform operator holding SFC Type 1, Type 7 licences and an AMLO licence. It principally provides virtual asset trading platform services, automated trading services, institutional-grade OTC trade execution services as well as liquidity access and liquidity facilitation services to professional and institutional investors. The scope of services is comparable to the platform services provided by BGE and the liquidity provision role undertaken by QUL under the Framework Agreement (as amended by the Supplemental Framework Agreement).

Service Provider B is a Hong Kong-listed licensed virtual asset trading platform operator holding SFC Type 1, Type 7 licences and an AMLO licence. It principally provides virtual asset trading platform services, automated trading services, institutional-focused trade execution services, liquidity services and OTC trading solutions to professional and institutional investors. The scope of services is comparable to the platform services provided by BGE and the liquidity provision role undertaken by QUL under the Framework Agreement (as amended by the Supplemental Framework Agreement).

We consider the fee rates of Service Provider A and Service Provider B to be representative of the Hong Kong licensed virtual asset trading platform market for the following reasons: (i) The Hong Kong licensed virtual asset trading market is highly concentrated. As publicly disclosed in the prospectus of Service Provider A dated 9 December 2025, Service Provider A is the largest licensed virtual asset trading platform in Hong Kong, accounting for over 75% of Hong Kong's virtual

asset trading volume. Service Provider A and Service Provider B are the only two publicly listed licensed virtual asset trading platforms in Hong Kong; and (ii) Both platforms hold the same SFC Type 1, Type 7 licences and a virtual asset trading platform licence under AMLO as BGE.

In order to assess the fairness and reasonableness of the pricing policy under the Framework Agreement (as amended by the Supplemental Framework Agreement), on best effort basis, we are able to get access to the fee rates of the two aforementioned service provider (“**Service Provider A and Service Provider B**”), as quoted on its websites and the quoted rates are summarised as follows:

Service Provider	Fee rate	Points to note
Service Provider A	0% to 0.25%	Fee rates apply to professional investors and vary depending on trading volume.
Service Provider B	0% to 0.05%	For OTC transactions, fees carefully embedded in the bid-offer spread, with no separate explicit transaction fees charged. The 0% to 0.05% applies only to online institutional or professional trading..

The Platform Service Fees in respect of the Platform Services shall be at a rate in the range of 0.03% to 0.25% of the transaction value (to be determined at the sole discretion of BGE), provided always that such rate shall be within the prevailing rates offered by BGE to its customers from time to time. As BGE applies the same pricing policy and standardized fee schedule to all of its client, the rate of platform service fees in the range of 0.03% to 0.25% of the transaction value shall also apply to BGE’s clients who are Independent Third Parties.

Based on the above, we note that the fees chargeable by key third party service providers range from 0% to 0.25%. Accordingly, we are of the view that the Platform Service Fees charged by BGE under the Framework Agreement of 0.03% to 0.25% of the transaction value are comparable to those charged by other provider for similar services, and thus are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned.

According to the Framework Agreement, the payment terms for platform services fees and virtual asset trades stipulate that all payments shall be settled in real-time on the same day of the relevant transactions, through direct deduction from the pre-funded fiat or virtual asset balance in BGE's client accounts. This settlement mechanism ensures the immediacy of transactions and the efficiency of fund flows, which helps reduce credit risk and operational costs.

The Board of Directors believes that the aforementioned payment terms are consistent with those offered by BGE to its independent clients and are in line with prevailing market practices of other virtual asset trading platforms. This indicates that these payment terms are established on an arm's length basis, making them fair and reasonable to the Company and its Shareholders. Real-time settlement and pre-funding models effectively managing potential risks arising from market volatility and safeguarding the interests of both transacting parties.

2.4 Internal control policy of the Group

As stated in the Letter from the Board, the following internal control policy has been adopted by the Group to monitor all transactions contemplated under the Framework Agreement (as amended by the Supplemental Framework Agreement), and to ensure that the revised annual caps in respect of the aforesaid transactions are not exceeded:

- (i) Before entering into the Framework Agreement, the Supplemental Framework Agreement and any standard client agreement with MMK, the Group will obtain and review the range of service fees charged by BGE to its clients who are Independent Third Parties to ensure that the service fees charged to MMK pursuant to the Framework Agreement, the Supplemental Framework Agreement and any standard client agreement would fall within the range charged by BGE to Independent Third Parties.
- (ii) BGE and MMK agree that where BGE amends its pricing policy in its ordinary and usual course of business which causes any change to the Platform Service Fees, MMK agrees to be subject to such revision of the relevant service fees such that the service fees charged to MMK pursuant to the Framework Agreement, the Supplemental Framework Agreement and any standard client agreement would fall within the range charged by BGE to Independent Third Parties.

- (iii) Before providing any price quote to and entering into any VA Trades on the Platform with MMK, QUL will check the bid price and ask price (as the case may be) offered to MMK for the relevant virtual assets and compare such price with the prevailing market price and the price quote for similar virtual assets offered to other customers of BGE who are Independent Third Parties to ensure that the terms of the relevant VA Trade would be on terms that are no less favourable to the Group than terms available to or from Independent Third Parties. To ascertain the prevailing market price for an OTC quote, QUL determines the price by considering market conditions, its own inventory, expected hedging costs, and risk limits. At the time of each OTC quote, reference will be made from widely recognized public price aggregation platforms, such as CoinMarketCap, which aggregate real-time pricing data from multiple global exchanges and provide a composite market price that serves as a fair and independent benchmark. The pricing inputs used by QUL must include reference venues, the mid-price, and spread logic at a level sufficient to explain the pricing. BGE enforces a best execution and price fairness framework appropriate for an OTC RFQ model, which includes conducting reasonableness checks against external reference prices and monitoring spreads.
- (iv) Shelby Kei, the chief executive officer and Responsible Officer of BGE, is the personnel responsible for overseeing the OTC trading in BGE. BGE's Operations Team is responsible for monitoring the execution process on an ongoing basis. Furthermore, BGE's existing Managers-in-Charge (MIC) and senior management team retain overall responsibility for compliance oversight and risk management of the off-platform OTC services.
- (v) Mr. Zhang Zhibin (CE no. BBT483), a director of QUL, is the personnel responsible for overseeing QUL's market-making operations, including the supervision of trading strategy, risk controls and operational processes.
- (vi) The finance department of the Company will monitor the Platform Services and VA Trades on a daily basis to ensure that the revised annual caps will not be exceeded.
- (vii) The finance department of the Company will report to the management of the Company and provide updates on the Platform Services and VA Trades on a monthly basis.

- (viii) BGE and MMK agree that BGE reserves the right, and shall be entitled in its absolute and sole discretion, to suspend or terminate the Platform Services provided to MMK in the circumstances where the amount of the Platform Service Fees which has accrued and become payable for the Platform Services pursuant to the Framework Agreement and the Supplemental Framework Agreement is expected to exceed the revised annual caps.
- (ix) BGE and MMK agree that QUL reserves the right, and shall be entitled in its absolute and sole discretion, to suspend or cease to carry out any VA Trades in the circumstances where the amount of the VA Trades which has accrued and become payable for the VA Trades pursuant to the terms of the Framework Agreement and the Supplemental Framework Agreement is expected to exceed the revised annual caps.
- (x) The independent non-executive Directors and auditors of the Company will conduct an annual review with respect to the continuing connected transactions conducted by the Group throughout the preceding financial year (including the transactions contemplated under the Framework Agreement and the Supplemental Framework Agreement) and will provide annual confirmations pursuant to the requirements under the Listing Rules to ensure that the continuing connected transactions (including the transactions contemplated under the Framework Agreement and the Supplemental Framework Agreement) are in accordance with the terms of the Framework Agreement and the Supplemental Framework Agreement governing such transactions, on normal commercial terms, fair and reasonable, and in accordance with the pricing policies and the revised annual caps.

In assessing the fairness and reasonableness of the pricing policy for the VA Trades under the Framework Agreement, we have considered the following additional factors:

- (i) **Market-driven and Comparable Pricing Mechanism:** Before providing any price quote and entering into any VA Trades with MMK, QUL (as liquidity provider) is required to compare the bid/ask price offered to MMK with the prevailing market price and the price quotes offered to other Independent Third Party customers of BGE. This mechanism is designed to ensure that the terms offered to MMK are no less favourable

to the Group than those available to or from Independent Third Parties, thereby safeguarding the interests of the Company and its minority shareholders.

- (ii) Objective External Benchmarking via Recognised Price Aggregation Platforms: To ascertain the prevailing market price for an OTC quote, QUL shall make reference to publicly available pricing sources and market data across multiple sources, including, but not limited to, recognised price aggregation platforms, such as CoinMarketCap, which consolidate real-time pricing data from global exchanges to derive a composite market benchmark. This approach ensures that quotations provided to MMK are aligned with prevailing market levels.

Having considered the above pricing control measures for VA Trades, together with the internal control measures as described above, we are of the view that the pricing policy for VA Trades under the Framework Agreement is fair and reasonable so far as the Independent Shareholders are concerned.

In view of the above and in particular that: (i) the Group has in place comprehensive internal control measures and procedures governing the pricing fairness of the Platform Service Fees and VA Trades with MMK, the dedicated personnel oversight for relevant business operations, as well as the ongoing monitoring of the revised annual caps; and (ii) the transactions contemplated under the Framework Agreement (as amended by the Supplemental Framework Agreement) will be subject to daily and monthly monitoring by the Group's finance department and management, the suspension/termination mechanism in case of expected excess of the revised annual caps, as well as annual review and confirmation by the independent non-executive Directors and the auditors of the Company in compliance with the Listing Rules, we are of the view that appropriate and sufficient measures are in place to govern the conduct of transactions contemplated under the Framework Agreement (as amended by the Supplemental Framework Agreement) in order to safeguard the interests of the Independent Shareholders.

2.5 The revised annual caps under the Framework Agreement (as amended by the Supplemental Framework Agreement)

As at the Latest Practicable Date, there has been no historical transactions between the Group and MMK in relation to the provision of the virtual asset trading platform services by the Group to MMK or for the trading of virtual assets between the Group and MMK on the Platform. The revised annual caps for (i) the maximum amount of the Platform Service Fees to be paid by MMK to BGE for the Platforms

Services; and (ii) the maximum transaction amounts for the VA Trades during the Term are set out in the table below:

	For the financial year ending 30 June 2027 US\$	For the financial year ending 30 June 2028 US\$	For the financial year ending 30 June 2029 US\$
Platform Service Fees	1,565,000	3,130,000	6,260,000
VA Trades	<u>626,000,000</u>	<u>1,252,000,000</u>	<u>2,504,000,000</u>
Total	<u><u>627,565,000</u></u>	<u><u>1,255,130,000</u></u>	<u><u>2,510,260,000</u></u>

We have discussed with the Management the bases and assumptions in determining the revised annual caps in relation to the Platform Services Fee and the VA Trades and are given to understand that the Directors have taken into account the following factors:

- (a) the normal market rate of platform service fees on trading of virtual assets, which ranges from approximately 0.03% to 0.25% of the transaction value, and the maximum rate of 0.25% is used for estimating the Platform Service Fees;
- (b) the historical transaction amount of approximately US\$313,000,000 for the trading of virtual assets by MMK (for and on behalf of its clients) on other similar virtual asset trading platforms in Hong Kong operated by Independent Third Parties during the 12 months' period from March 2025 to February 2026;
- (c) the expected increase in the demand for the Platform Services from MMK (for and on behalf of its clients) throughout the Revised Term, which is expected to increase in line with the expected growth rate of 100% year-over-year for the transaction value of the VA Trades; and
- (d) the expected growth rate of approximately 100% year-over-year for the transaction value of the VA Trades throughout the Revised Term with reference to the compound annual growth rate for the trading volume on other similar virtual asset trading platforms in Hong Kong from 2023 to 2025.

In assessing the fairness and reasonableness of the revised annual caps under the Framework Agreement (as amended by the Supplemental Framework Agreement), we have conducted the following due diligence work:

With respect to the revised annual caps of VA Trades

- We have obtained and reviewed the historical transaction amount of trading of virtual assets by MMK (for and on behalf of its clients) on other similar virtual asset trading platforms in Hong Kong operated by Independent Third Parties. We note that the total transaction amount for the 12 months period from March 2025 to February 2026 was approximately US\$313,000,000. In particular, the average monthly transaction amount was approximately US\$22.9 million for the period between March and December 2025 and increased significantly to approximately US\$41.9 million for the period from January to February 2026, representing a growth of over 80% in 2026 as compared to that of 2025;
- To understand the demand for Platform Services and VA Trades by MMK and the management's estimates for the revised term, we have conducted the following work:
 1. We obtained and reviewed the historical monthly transaction records of MMK for the twelve-month period ended 28 February 2026, and compared the trading performance of the first three months against the last three months within the reviewed period. The analysis shows that the turnover of the fourth quarter was approximately 3 times that of the first quarter, representing a growth of approximately 201.4%.
 2. We held discussions with the Company's management regarding MMK's business outlook, including the projected number of clients and estimated turnover contributed by its major clients for the period July to December 2026. Following discussions between the Group's management and MMK, MMK confirmed its intention to conduct VA Trades via the Group's platform and advised that the projected year-on-year growth of 100% in VA Trade transaction volume is consistent with its internal assessment and estimation.

3. We have also reviewed publicly available information on the historical trading volumes of two major licensed virtual asset trading platforms in Hong Kong. We noted that Service Provider A recorded a compound annual growth rate of 155.9% for the financial years 2023 to 2025, whilst Service Provider B registered an annual growth of 200.7% in its virtual assets trading volume for the financial years 2024 to 2025. Such robust growth was partly driven by increased participation from institutional investors, which in turn boosted overall demand for virtual asset transactions.

We are given to understand that the revised annual caps for VA Trades for the years ending 30 June 2027, 2028, and 2029 were determined based on an expected growth rate of approximately 100% year-on-year over the term of the Framework Agreement (as amended by the Supplemental Framework Agreement). This projection has taken references from the recent growth trends in transaction volumes observed on other similar virtual asset trading platforms in Hong Kong. We have reviewed publicly available information on the historical trading volumes of two major virtual asset trading platforms in Hong Kong, the shares of which are both listed on the Stock Exchange of Hong Kong. We noted that Service Provider A recorded a compound annual growth rate of 155.9% for the fiscal years 2023 to 2025, while another major virtual asset trading platform, Service Provider B recorded an annual increase of 200.7% in the trading volumes of its virtual assets and blockchain platform business for the fiscal years 2024 to 2025. Such significant growth was partly attributable to increased institutional investor participation driving demand for virtual assets transactions. In this regard, we consider the reference to the trading volumes of Service Provider A and Service Provider B to be meaningful and relevant for the following reasons:

- (i) **Identical Licences and Regulatory Environment:** Both Service Provider A and Service Provider B hold the identical SFC Type 1, Type 7 and AMLO licences as BGE, and all three platforms operate under the exact same regulatory regime set out by the SFC for virtual asset trading platforms in Hong Kong.
- (ii) **Consistent Business Focus and Revenue Model:** All three platforms focus on providing SFC-compliant virtual asset trading services, including both on-platform spot trading and OTC institutional trading services, with the same core revenue model driven by transaction fees and spreads.

- (iii) **Similar Target Customers:** All three platforms primarily target professional investors, institutional clients and high-net-worth clients, and the surging demand from institutional investors is a shared macro growth driver across all three platforms.
- (iv) **Comparable Range of Virtual Assets and Nature of VA Trades:** All three platforms focus on SFC-compliant mainstream large-cap virtual assets and support both on-platform automated trading and bilateral OTC trades for institutional clients with similar trade execution and settlement mechanisms.
- (v) **Growth Estimation:** While BGE has a shorter operating history and is currently smaller in scale than the two reference companies, the Company's projected 100% year-on-year growth is comparatively conservative against the historical growth rates of Service Provider A (155.9% CAGR) and Service Provider B (200.7% annual growth), demonstrating that the revised annual caps are set on a reasonable basis.

With respect to the revised annual caps of Platform Service Fees

- We were given to understand that the revised annual caps of the Platform Service Fees are derived from the revised annual caps of the transaction amounts for VA Trades during the Revised Term based on the aforementioned, multiplied by the maximum rate of service fee of 0.25% pursuant to the Framework Agreement (as amended by the Supplemental Framework Agreement). For details of our independent due diligence performed in respect of the rate of service fee under the Framework Agreement (as amended by the Supplemental Framework Agreement), please refer to the subsection headed "2.3 Analysis of the principal terms of the Framework Agreement (as amended by the Supplemental Framework Agreement)" above.

Having considered the factors as discussed above, in particular (i) the recent monthly transaction volume of MMK has demonstrated a significant growth; (ii) the VA Trade market has been in rapid growing pace given the key market players recorded growth rate of over 100% in transaction volume, we are of the view that the revised annual caps under the Framework Agreement (as amended by the Supplemental Framework Agreement) (including the Platform Service Fees and VA Trades) are determined under fair and reasonable bases so far as the Independent Shareholders are concerned.

CONCLUSION

Having taken into account the above-mentioned principal factors and reasons, we are of the view that the entering into of the Framework Agreement (as amended by the Supplemental Framework Agreement) is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole, and the terms of Framework Agreement, the Supplemental Framework Agreement and the transactions contemplated thereunder (together with the revised annual caps in relation to the Platform Services Fee and the VA Trades) are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the relevant resolution(s) to be proposed at the EGM to approve the Framework Agreement, the Supplemental Framework Agreement and the transactions contemplated thereunder (together with the revised annual caps in relation to the Platform Services Fee and the VA Trades).

Yours faithfully,
For and on behalf of
Messis Capital Limited



Thomas Lai
Chief Executive Officer

Mr. Thomas Lai is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Messis Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 35 years of experience in corporate finance industry.