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Kwai Chung New Territories
Hong Kong

Date: 20 August 2025

Our Ref.: P/HK/2025/VAL/0035

Dear Sir/Madam,

RE: VALUATION OF THE FAIR VALUE OF 2.55% EQUITY INTERESTS IN FEMTO S.À.R.L.

In accordance with your instructions, we have undertaken a valuation on behalf of Leeport (Holdings) Limited (the "Company") to determine the fair value ("Fair Value", to be defined below) of 2.55% equity interest ("Equity") in Femto S.à.r.l. and its subsidiaries (the "Target Company") as at 30 June 2025 ("Valuation Date").

The Target Company is an investment holding entity with a 100% ownership stake in Prima Industrie S.p.A. ("Prima"), its sole operating subsidiary. Prima designs, manufactures, and distributes industrial laser and sheet metal processing machinery globally.

The consolidated financial statements for the Target Company were unavailable. Consequently, our analysis relies on combined financial statements integrating the standalone financials of the Target Company (holding entity) and Prima (operating entity). This approach reflects their functional unity as a single economic entity.

We did not audit or independently verify the provided financial information. The combined financial statements presented herein may differ materially from formal consolidated financial statements prepared under applicable accounting standards. Our valuation conclusion is subject to revision should audited consolidated financial statements for the Target Company become available.

The purpose of this valuation is to express an independent opinion of the Fair Value of the Target Company as at the Valuation Date for circular reference purposes. The valuation result should not be construed to be a fairness opinion, a solvency opinion or an investment recommendation. It is inappropriate to use our valuation report for purposes other than its intended use or by third parties. These third parties should conduct their own investigation and independent assessment of captioned subjects.

We relied upon completeness, accuracy and fair representation of operational, financial information and business plans in relation to the business provided by Management. The fair value of the equity of the Target Company is subject to a number of assumptions concerning historical financial information and its current financial position. To the extent that any of these assumptions or facts changed, the result of the valuation would be changed accordingly.

STANDARD OF VALUE

We will conduct the valuation exercises in accordance with International Valuation Standards (IVS) and provide our opinion of values in formal reports. According to IVS, our opinion of the Fair Value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

The valuation will be prepared in accordance with IVS as published by International Valuation Standards Council.

PREMISE OF VALUE

Premise of value is an assumption regarding the most likely set of transaction circumstances that may be applicable to the subject valuation. This report is prepared using the premise that the subject company is a going concern, which presumes that the subject business enterprise will continue to operate into the future. A going concern value represents the value of a business enterprise that is expected to continue to operate into the future.

FINANCIAL OVERVIEW

As the financial statements of the Target Company and Prima as of 30 June 2025 were unavailable at the valuation date, our analysis primarily relies on its audited financial statements of Prima as of 31 December 2024 and the management account of the Target Company as of 31 December 2024, which were the latest available statements of the two entities to date. Based on these, we constructed a combined annual income statement for the period ended 31 December 2024. The 2024 combined annual results show revenue of EUR540,868,000, earnings before interest and tax ("EBIT") of EUR25,608,000, earnings before interest, tax, depreciation and amortisation ("EBITDA") of EUR53,766,000, and adjusted EBITDA of EUR62,220,000. According to the Target Company, the difference between the original EBITDA and the adjusted EBITDA were due to adjustments for non-recurring items.

As mentioned above, we have combined the balance sheet of the Target Company and Prima to arrive at the combined balance sheet of the Target Company.

Specific assumptions have been made regarding adjustments made when preparing the combined balance sheet, as outlined below:

— The amount of "shares in affiliated undertaking" of the Target Company is equivalent to the amount of capital of Prima as at 31 December 2024, and the Target Company has no other subsidiary or associated company.
— The latest management account for the Target Company and the audited financial statements for Prima provided to us were for the year ended 31 December 2024. Per information provided by the Company, the consolidated financial statements of the Target Company were not available. In this exercise, it is assumed that the difference of the book values of assets and liabilities of the Target Company and Prima between the last reporting date and the Valuation Date would be immaterial.

The provisional financial position of the Target Company and Prima are summarized in the below table:

Provisional Financial Position of the Target Company as at 31 December 2024

	Book Value
	EUR '000
NON-CURRENT ASSETS	
Formation expenses	13
Shares in affiliated undertaking*	194,859*
Total non-current assets	**194,872**
CURRENT ASSETS	
Cash at bank and in hand	69
Total current assets	**69**
CURRENT LIABILITIES	
Trade creditors	5
Total current liabilities	5
NET CURRENT ASSETS	64
Net assets	**194,936**

* *Per management, this represents the investment cost of the shareholdings of Prima held by the Target Company.*

Provisional Financial Position of Prima as at 31 December 2024

	Book Value *EUR '000*
NON-CURRENT ASSETS	
Property, plant and equipment	67,681
Intangible assets	185,103
Other investments	128
Deferred tax assets	28,147
Total non-current assets	**281,059**
CURRENT ASSETS	
Inventories	138,414
Trade receivables	115,881
Other receivables	9,272
Current tax receivables	6,550
Derivatives	
Financial assets	89
Cash and cash equivalents	63,035
Total current assets	**333,241**
CURRENT LIABILITIES	
Trade payables	106,123
Advance payments	53,155
Other payables	32,457
Interest-bearing loans and borrowings current	24,250
Current tax payables	12,971
Provisions - current	45,120
Derivatives	519
Total current liabilities	**274,595**
NET CURRENT ASSETS	**58,646**
NON-CURRENT LIABILITIES	
Interest-bearing loans and borrowings non current	103,850
Employee benefit liabilities	5,674
Deferred tax liabilities	21,045
Provisions - non current	311
Derivatives - non current	1,490
Total non-current liabilities	**132,370**
Net assets	**207,335**

As the Target Company directly held 100% equities of Prima, we have first prepared the provisional combined statement of the financial position of the Target Company by adding the amounts of the corresponding accounts directly. The provisional combined statement (before adjustment) is outlined as follows:

Provisional Combined Statement of the Financial Position of the Target Company

	Book Value *EUR '000*
NON-CURRENT ASSETS	
Property, plant and equipment	67,681
Intangible assets	185,103
Other investments	128
Deferred tax assets	28,147
Formation expenses (asset of the investment holding entity)	13
Total non-current assets	**281,072**
CURRENT ASSETS	
Inventories	138,414
Trade receivables	115,881
Other receivables	9,272
Current tax receivables	6,550
Financial assets	89
Cash and cash equivalents	63,104
Total current assets	**333,310**
CURRENT LIABILITIES	
Trade payables	106,123
Advance payments	53,155
Other payables	32,457
Trade creditors (liability of the investment holding entity)	5
Interest-bearing loans and borrowings current	24,250
Current tax payables	12,971
Provisions - current	45,120
Derivatives - current	519
Total current liabilities	**274,600**
NET CURRENT ASSETS	**58,710**
NON-CURRENT LIABILITIES	
Interest-bearing loans and borrowings (non-current)	103,850
Employee benefit liabilities	5,674
Deferred tax liabilities	21,045
Provisions - non current	311
Derivatives - non current	1,490
Total non-current liabilities	**132,370**
Net assets*	**207,412**

** According to the audited financial statements of Prima, it had a minority interest of EUR4,969 thousands as of 31 December 2024, and this amount is assumed to not materially change as of the Valuation Date.*

Based on the provisional Combined Statement of the Financial Position of the Target Company, we identified:

- Cash of EUR63,104 thousands;
- Debt of EUR128,100 thousands;
- Minority Interest of EUR4,969 thousands; and
- Non-core items unrelated to the Target Company's primary industrial laser and sheet metal processing machinery manufacturing operations as at 31 December 2024, outlined as follows:

	EUR '000
Non-core assets	
Other investment	128
Financial assets	89
Other receivables (portion unrelated to the core business)	930
Formation expenses (asset of the investment holding entity)	13

	EUR '000
Non-core liabilities	
Trade creditors (liability of the investment holding entity)	5
Derivatives (current)	519
Derivatives (non-current)	1,490

The enterprise value of the Target Company is adjusted by adding cash and deducting debt and minority interests to arrive at the operating equity value. The non-core items would then be adjusted to the operating equity value to arrive at the equity valuation of the Target Company.

ECONOMIC OVERVIEW

As the Target Company supplies its products around the globe, its business is influenced by the economic conditions and market fluctuations in the overall world's economy. We reviewed overall world's economic condition where the Target Company will derive its future income.

The past year has been characterized by heightened volatility and uncertainty. Politically, the Russia-Ukraine conflict has intensified with Russian forces occupying approximately 20% of Ukrainian territory, while Middle East tensions have escalated following direct confrontations between Israel and Iran, triggering U.S. military deployments and exacerbating regional instability. These disruptions have continued to strain global supply chains, particularly through critical chokepoints like the Red Sea where Houthi attacks have diverted 50% of Suez traffic. Following his victory in the 2024 U.S. presidential election, President Trump has implemented substantial tariff increases, culminating in April 2025 with U.S. tariffs reaching 145% on Chinese imports and an average effective rate of 14.5% across all imports—the highest level in 90 years—though some rates were later partially suspended or exempted. These measures have significantly amplified geopolitical and trade uncertainty globally.

Economically, the global recovery trajectory has weakened substantially since early 2025. According to the IMF's April 2025 World Economic Outlook, global growth projections have been revised down to 2.8% for 2025 (from 3.3% in January) and 3.0% for 2026, reflecting the impact of tariff escalations and policy uncertainty. The United States experienced the largest downgrade among advanced economies (from 2.7% to 1.8%), while Mexico's growth projection plunged into negative territory at -0.3%. Although inflationary pressures are easing in advanced economies, with euro area inflation projected at 2.1% for 2025, and the emerging economies continue to face elevated inflation, particularly in conflict-affected regions like Gaza where inflation reached 140%. Labor markets remain relatively resilient overall, but trade fragmentation is accelerating, with U.S.-China trade volumes now 10% below 2018 levels and supply chains rerouting through intermediary economies like Vietnam and Mexico

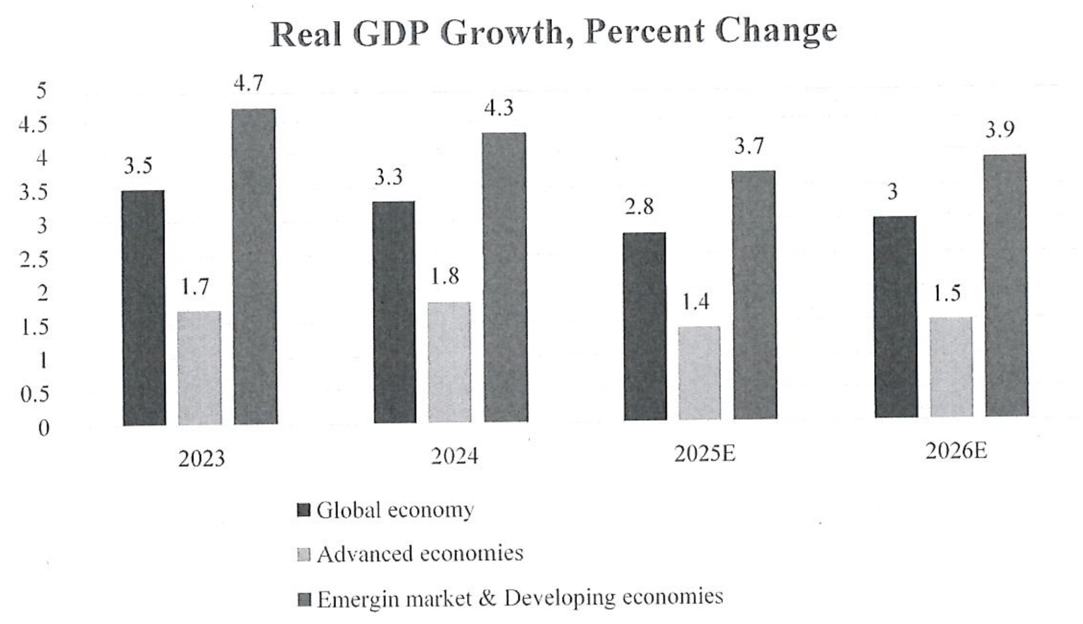
In developed economies, monetary policies remain cautious. The Federal Reserve has maintained its benchmark rate at 4.25%-4.50% since September 2024, with market expectations shifting toward potential cuts in late 2025 amid slowing growth. The European Central Bank reduced rates to 2.50% in March 2025 but faces constrained easing capacity due to Germany's €48 billion fiscal stimulus package and persistent services inflation. The Bank of Japan continues ultra-loose policies despite yen depreciation to 169/USD (34-year low), with potential July rate hikes under consideration to counter 2.8% inflation.

Emerging markets continue driving global growth, though momentum shows divergence. China's 2024 GDP growth reached 4.8%, but 2025 projections were revised down to 4.0% due to trade tensions and property sector challenges, even as policies emphasize "high-quality development". India's growth outlook was downgraded to 6.5% (from 6.8%) on monsoon risks, while Southeast Asia benefits from supply chain diversification with Vietnam's exports rising 18% year-on-year.

Persistent geopolitical tensions maintain upside risks to energy prices. Trade protectionism has slowed projected global trade growth to 2.5% for 2025, while elevated interest rates exacerbate debt vulnerabilities, particularly in MENA where Egypt's debt reaches 91% of GDP and Tunisia's 82%.

As the Target Company supplies its products around the globe, its business is influenced by the economic conditions and market fluctuations in the overall world's economy. This overview covers overall world's economic condition where the Target Company will derive its future income.

Chart 1 — Real GDP Growth Rate %



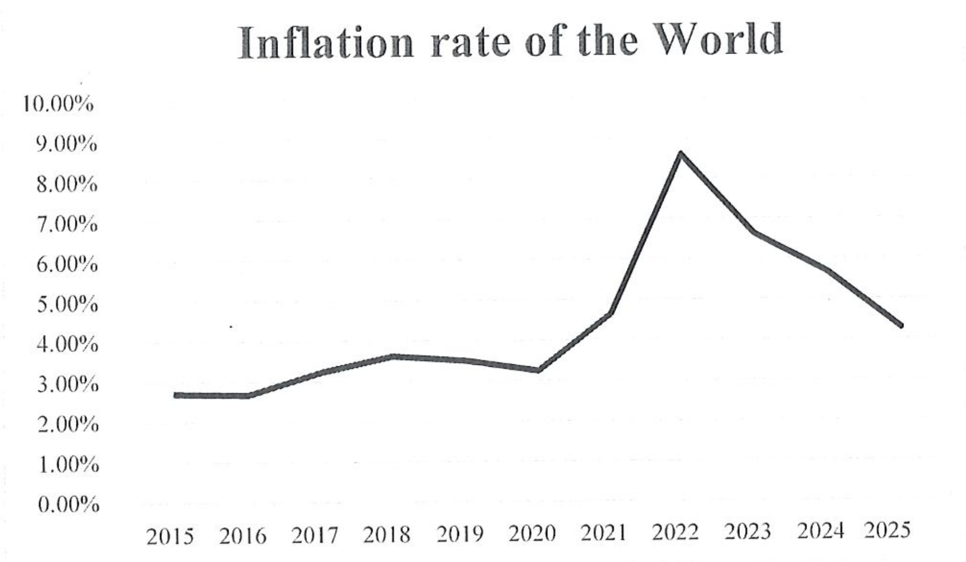
Source: International Monetary Fund ("IMF")

The global average inflation rate for the full year of 2024 was 5.9%, representing a decrease of 0.8 percentage points from 2023. In developed economies, the inflation rate was recorded at 2.7%, a reduction of 1.9 percentage points compared to 2023. According to data from the U.S. Department of Labor, the U.S. Consumer Price Index (CPI) in September 2024 increased by 2.4% year-on-year and 0.2% month-on-month; the core CPI, excluding food and energy, rose by 3.3% year-on-year, indicating a moderation in overall inflation. Eurostat data revealed that inflation in the eurozone eased in September 2024, with the harmonised CPI rising by 1.7% year-on-year, falling below the European Central Bank's 2% target for the first time since 2021.

Contrary to the downward trend observed in the US and EU, Japan's inflation rate has shown signs of recovery. Data from Japan's Ministry of Internal Affairs and Communications indicated that in September 2024, the core CPI excluding fresh food rose by 2.4% year-on-year, marking the 37th consecutive month of year-on-year increases.

Similar trends were noted in emerging markets and developing economies, where inflation rates continued to decline, reaching 7.9% in 2024, a slight decrease of 0.2 percentage points from 2023. National statistics bureaus reported the year-on-year CPI changes for September 2024 as follows: China (0.4%), Brazil (4.4%), India (5.49%), Russia (8.6%), and South Africa (3.8%).

Chart 2 — Inflation Rates of the World



Source: International Monetary Fund ("IMF")

The trend in unemployment rates varies between developed countries and emerging markets. Developed countries typically show an upward trend, while emerging markets and developing economies generally exhibit a downward trend. According to the U.S. Department of Labor, the seasonally adjusted unemployment rate in the United States was 4.1% in September 2024, compared to 3.6% in 2023. Eurostat data indicates that the seasonally adjusted unemployment rate in the Eurozone was 6.4% in August 2024, marking the lowest level since April 1998. The unemployment rates in the United Kingdom and Canada increased from 4.03% and 5.41% in 2023 to 4.45% and 5.9% in 2024, respectively. Unemployment rates in major emerging markets and developing economies remain high but mostly show a downward trend. Russia's unemployment rate reached a historic low of 2.4% in June 2024. Youth unemployment rates remain high globally, with no significant improvement expected in the short term.

The global economy is currently experiencing a complex interplay of short-term issues and long-term factors. Uncertain short-term factors are emerging continuously, while deep-seated contradictions and structural issues are becoming increasingly prominent. Compared to the past, the global economy now faces greater challenges and lacks sufficient growth momentum.

It is considered that the administration of US governance may have a significant impact on the global economy. On one hand, the administration might adopt domestic measures such as tax cuts, regulatory relaxation, and large-scale fiscal stimulus, potentially stimulating the continued expansion of the U.S. economy temporarily. On the other hand, it may impose tariffs on global trade, hindering trade recovery, undermining multilateral trade rules, potentially triggering a global 'trade war,' and exacerbating the fragmentation of global trade, thereby posing risks of further division in the world economy.

Given the current international economic and political environment and the global economic outlook, the world economy is expected to continue on a moderate to low growth trajectory in 2025, with a projected growth rate of approximately 3.0%. The growth rates of emerging markets and developing economies are likely to significantly outpace those of developed economies. However, there remains a possibility that significant geopolitical turmoil or escalating trade frictions could lead to a notable slowdown in global economic growth.

INDUSTRY OVERVIEW

The sheet metal processing equipment sector continues to demonstrate strong growth fundamentals, though the impact of the tariff war initiated in early 2025 presents significant challenges. Demand remains robust, particularly in the automotive sector. According to the European Automobile Manufacturers' Association (ACEA) Economic and Market Report, global car sales increased by 2.5% in 2024, reaching 74.6 million units. This bolstering demand is driven by investments from automotive manufacturers upgrading facilities to modern, high-precision equipment that enhances productivity and sustainability. Growth is especially pronounced in China, Japan, India, South Korea, and other Asia-Pacific countries.

Beyond automotive applications, the construction sector represents another vital market for sheet metal processing equipment. The ubiquity of metal sheets in building structures positions this segment for continued growth alongside global infrastructure development. Additional applications in agriculture, energy, and medical sectors further diversify demand drivers.

Technological advancements are transforming the industry, as evidenced by data from the International Federation of Robotics. Their 2024 report indicates installations in the metal and machinery industry grew at an average annual rate of 12% since 2018. In 2023, installations surged 16% to a record of 76,831 units, reflecting accelerating automation adoption.

Despite these positive trends, the tariff war that began in early 2025 raises concerns about production costs and demand. Higher tariffs increase expenses for manufacturers of automobiles, tools, and industrial machinery, potentially constraining production volumes and profitability across the supply chain.

VALUATION METHODOLOGY AND BASIS

After considering the use of three valuation approaches, namely the (i) income approach (also known as the discounted cash flow method); (ii) cost approach; and (iii) market approach, we adopted the market approach for the reasons set out below:

(i) The income approach provides an indication of value by converting future cash flows to a single current asset value and is commonly applied to an aggregation of assets consisting of all assets of a business enterprise, including working capital and tangible and intangible assets.

Value is derived based upon the present worth of economic benefits of ownership of asset. We did not adopt the income approach as the cash flow projections for the business of the Target Company would require numerous assumptions on projected growth/changes in revenue streams, cost of revenue, operating expenses, administrative expenses, projected movements in working capital balances and expected capital expenditure, which are not easily verifiable, supportable or reliably measured.

(ii) The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction. Value is established based on cost of reproducing or replacing the asset, less depreciation or amortisation from functional and economic obsolescence, if present and measurable. We did not adopt the cost approach as it considers such approach ignores the economic benefits of ownership of the business of the Target Company.

(iii) The market approach provides an indication of value by comparing a business, business ownership interest, security, or intangible asset with identical or comparable subjects for which the pricing information is available. Value is established based on the principle of comparison, meaning that if one thing is similar to another and could be used for the other, then they must be similar. Furthermore, the price of two alike and similar items should be approximate to one another. One key method within this approach is the Guideline Public Company Method (GPCM). The GPCM estimates a subject company's value by applying valuation multiples observed from publicly listed comparable companies sharing similar business models, capital structures, risk profiles, and growth prospects.

Given that the GPCM is one of the most prevalent methods for valuing private operating entities like the Target Company, we adopted it under the market approach. The applicable multiples for the Target Company were derived from the valuation multiples of its relevant Comparable Companies.

MARKET APPROACH

We have adopted the GPCM under the market approach, and the multiples applicable to the Target Company are derived with reference to the valuation multiples of the comparable companies ("Comparable Companies") of the Target Company.

For the purpose of our valuation, we have also derived the Fair Value of the Equity based on the available information and presently prevailing as well as prospective operating conditions of the business and by taking into consideration other pertinent factors which basically include the followings:

— the market and the business risks;
— the general economic outlook as well as specific investment environment;
— the nature and current financial status;
— the historical performance; and
— the assumptions as stated in the section of Assumptions in this report.

In assessing the relationship of a company's valuation with its fundamentals, the following valuation multiples are commonly considered: the price-to-sales ratio ("P/S"), the price-to-earnings ratio ("P/E"), the enterprise value-to-earnings before interest, tax, depreciation and amortisation ("EV/EBITDA"), and the price-to-book ratio ("P/B"). These multiples serve as standard benchmarks since their inputs are readily available from public sources and reflect market participants' perspectives on comparable businesses.

P/B focuses primarily on tangible assets and inadequately captures the Target Company's significant intangible value drivers; it was therefore excluded. P/S is inappropriate as it reflects revenue without accounting for profitability, a key value determinant for profitable businesses such as the Target Company.

Consequently, in the course of valuing the Target Company pursuant to the GPCM, we have taken into account the EV/EBITDA as the multiple, which is considered as the most appropriate multiple for comparing companies with different financial leverage (debt) since it is less likely to be distorted by non-cash items such as depreciation and amortisation and incorporates both the Target Company's profitability and future earnings expectations, providing a clear benchmark against the other Comparable Companies.

IDENTIFICATION OF SUITABLE COMPARABLE COMPANIES

We have identified relevant Comparable Companies based on multiple sets of selection criteria in order to sort out particular companies that are comparable to the subject companies in terms of risks and business nature.

We have adopted the following screening process in arriving at our initial shortlist of companies to further sort out appropriate Comparable Companies for the Target Company:

— The revenue of the Comparable Companies from metalworking machinery manufacturing industry or industrial wholesale & equipment rental industry according to the Bloomberg Industry Classification System BICS should account for over 50% of their total revenue in the latest year.

The Target Company generates revenue primarily from the business of manufacturing laser and sheet metal processing machinery (such as metalworking machines with laser application, sheet metal processing machines, metal press brake and metal bending machines) for industrial use. We aim to identify Comparable Companies with similar revenue sources as the Target Company. We calculated their latest annual revenue attribution percentages to verify if these companies have been principally operating in metalworking machinery manufacturing business. The Comparable Companies should also demonstrate sufficient trading activities before the Valuation Date.

To ensure relevance and consistency, we have selected twelve Comparable Companies meeting the following criteria:

(i) the revenue from the manufacturing business of laser metalworking machinery and sheet metal processing machinery for the Comparable Companies should account for over 50% of total revenue in their latest financial year prior to the Valuation Date, according to their latest published annual reports and company websites;
(ii) the financial information of the Comparable Companies must be publicly available; and
(iii) the Comparable Companies' historical trading data must be sufficient and available, and the stocks of the Comparable Companies do not have extended periods of trade suspensions.

Details of these Comparable Companies, including their (i) company names, (ii) stock code, (iii) listing venue, (iv) market capitalisation, (v) percentage of revenue attributable to metalworking machinery manufacturing business which are for industrial use (the "Attribute Revenue %") and (vi) company descriptions as at 30 June 2025 are summarised in the following table:

Name	Listing Venue	Market Capitalisation *(USD'000)*	Stock Code	Attributable Revenue %	Company Description
Quaser Machine Tools, Inc. (**"Quaser"**)	Taipei Exchange	126,701	4563 TT	59%	Quaser Machine Tools, Inc. manufactures metalworking machinery products. Quaser produces cutting machinery, welding machinery, molding machinery, and other products.
Amada Co., Ltd. (**"Amada"**)	Tokyo Stock Exchange	3,588,234	6113 JP	75%	Amada Co., Ltd. manufactures metal cutting, forming, shearing, and punching machines. Amada also develops factory automation systems and electronic equipment in addition to machine tools.
HK Co., Ltd. (**"HK Co"**)	Korea Securities Dealers Automated Quotation	18,949	044780 KS	80%	HK Co., Ltd. develops, designs, and manufactures a diverse line of laser machine tools. HK Co's products include laser cutting machines, laser welding machines, and laser engraving machines.
World Precision Machinery Limited (**"World Precision"**)	Stock Exchange of Singapore	56,620	BWPM SP	87%	World Precision Machinery Limited manufactures and supplies stamping machines and related metal components. World Precision's other products include bending, cutting and CNC punching machines.

Name	Listing Venue	Market Capitalisation *(USD'000)*	Stock Code	Attributable Revenue %	Company Description
Bystronic AG ("**Bystronic**")	SIX Swiss Exchange	866,981	BYS SW	100%	Bystronic AG manufactures sheet metal processing equipment. Bystronic offers laser cutting systems, tube processing, press brakes, and automation bending equipment.
Han's Laser Technology Industry Group Co., Ltd. ("**Han's Laser**")	Shenzhen Stock Exchange	3,579,359	002008 CH	77%	Han's Laser Technology Industry Group Co., Ltd. develops, manufactures, and markets laser-based products used for cutting, welding, marking, and drilling a wide range of industrial materials.
Jiangsu Yawei Machine Tool Co., Ltd. ("**Jiangsu Yawei**")	Shenzhen Stock Exchange	732,883	002559 CH	70%	Jiangsu Yawei Machine Tool Co., Ltd. operates as a diverse metal component and machinery company. Jiangsu Yawei manufactures turret punches, press brakes, shears and sheet metal, and coil metal processing lines.
Takeda Machinery Co., Ltd. ("**Takeda**")	Tokyo Stock Exchange	20,083	6150 JP	73%	Takeda Machinery Co., Ltd. manufactures and wholesales steel related machinery and sheet metal machinery. Takeda's products include frame processors, benders, cutters, and surface treatment machines.
Okuma Corporation ("**Okuma**")	Tokyo Stock Exchange	1,719,474	6103 JP	97%	Okuma Corporation's main business revolves around CNC machine tools, specifically multitasking machines that integrate various machining processes. Okuma is also known for its product, LASER EX series, which combines subtractive and additive manufacturing capabilities, including laser metal deposition, hardening, and more.

Name	Listing Venue	Market Capitalisation *(USD'000)*	Stock Code	Attributable Revenue %	Company Description
Yamazen Corporation ("**Yamazen**")	Tokyo Stock Exchange	828,097	8051 JP	65%	Yamazen Corporation is a manufacturing and trading company which specializes in machinery and tools. The Company provides machine tools including laser cutting machines.
Nadex Co., Ltd. ("**Nadex**")	Tokyo Stock Exchange	60,697	7435 JP	67%	Nadex Co., Ltd. is primarily involved in the manufacturing and sales of welding equipment, with a focus on laser cutting and welding technology as part of its business.
DMG Mori Co., Ltd. ("**DMG Mori**")	Tokyo Stock Exchange	3,278,316	6141 JP	67%	DMG Mori Co., Ltd. is a manufacturer of machine tools, and their business includes laser technology for various applications. DMG Mori utilize laser technologies in their CNC laser machines, including fiber lasers and ultrashort pulse lasers, for diverse material processing.

In view of the limited and exhaustive number of Comparable Companies found through the above selection process, we have adopted all relevant and available Comparable Companies to derive a reasonable and appropriate valuation multiple for the valuation of the Target Company.

The following table shows the calculations of the EV/EBITDA multiples of each selected Comparable Company:

Name	Enterprise Value per share** (EUR)	Original EBITDA per share (EUR) **	Non-recurring income per share (EUR) ***	Non-recurring expense per share (EUR) ***	Adjusted EBITDA per share (EUR) ***	As at 30 June 2025 EV/EBITDA ****
	(A)	(B)	(C)	(D)	(E) = (B) - (C) + (D)	(F) = (A) ÷ (E)
Quaser	2.599	0.273	0.005	0.012	0.280	9.28
Amada	7.678	1.233	0.002	0.001	1.232	6.23
HK Co*	0.783	(0.028)	0.032	—	(0.060)	N/A*
World Precision	0.132	0.027	0.002	0.001	0.026	5.08
Bystronic*	222.740	(15.153)	0.347	—	(15.500)	N/A*
Han's Laser	3.113	0.124	0.113	0.111	0.122	25.57
Jiangsu Yawei	1.186	0.035	0.001	—	0.034	34.83
Takeda	15.614	4.255	0.247	—	4.008	3.90
Okuma	18.952	2.297	0.093	0.065	2.269	8.35
Yamazen	3.676	1.014	0.024	0.010	1.000	3.68
Nadex	3.764	0.857	0.034	0.123	0.946	3.98
DMG Mori	23.114	2.425	0.014	0.282	2.693	8.58

* *EV/EBITDA of HK Co and Bystronic are derived to be negative and are therefore excluded.*

** *The enterprise values per share of the Comparable Companies were derived from their share price with adjustments for per-share amounts of cash, debt, and minority interest. The original EBITDA per share and other financial data presented here was sourced from Bloomberg.*

*** *The adjusted EBITDA per share of the Comparable Companies was derived from their original EBITDA per share, adjusted for per-share amounts of non-recurring income and expenses, including one-off investment gains/losses, restructuring charges, impairment charges, merger/sell-off expenses, and other non-recurring financial items, as categorized by Bloomberg. All financial data presented here was sourced from Bloomberg.*

**** *Calculated ratios may not exactly equal to the quotient of the rounded component figures due to rounding. For instance, the EV/EBITDA of Han's Laser is calculated using unrounded figures (EUR3.11270 per share divided by EUR0.12175), resulting in 25.57. The figures presented in the table are rounded representations.*

ADJUSTMENTS AND INPUTS OF THE VALUATION

Foundational valuation texts such as "Financial Valuation — Application and Models" by James R. Hitchner, recommends the use of company size premium to adjust valuation multiples to account for differences in company size between the valuation subject and its peers. This methodology recognizes that larger companies typically command higher multiples due to lower expected returns and reduced operational risks, while smaller companies exhibit lower multiples reflecting higher risk premiums. These adjustments were quantified using empirically derived size premiums from Kroll Inc.'s "CRSP Deciles Size Premium Studies" (formerly Duff & Phelps), an academically accepted benchmark for reconciling market capitalisation disparities (the "CRSP Studies").

To account for the impact of varying market capitalisations between the comparable companies and the Target Company, the EV/EBITDA ratio was adjusted based on the formula below to reflect the size difference:

$$Size-adjusted\ \frac{EV}{EBITDA}\ Multiple = \frac{1}{\frac{1}{\frac{EV}{EBITDA}\ Multiple} + Size\ Premium\ \Delta}$$

Size Premium ⊗ ("SP ⊗") = Size premium of the Target Company ("TCSP") — Size premium of of the Comparable Companies ("CCSP")

In accordance with the CRSP Studies, the distinct size premiums are assigned based on market capitalisation categories: 0.66% for Mid Cap, 1.24% for Low Cap, and 2.91% for Micro Cap companies, as outlined in the table below. This methodology has been applied to both the Target Company and the Comparable Companies, with the appropriate premium selected according to their respective market capitalisations.

Size category	**Range of market capitalisation** *(USD million)*	**Size premium**
Mid Cap	3,011-14,820	0.66%
Low Cap	556-3,011	1.24%
Micro Cap	1.6-555	2.91%

The following table shows the details of the original and size-adjusted EV/EBITDA multiples of each of the selected Comparable Company:

As at 30 June 2025:

Name	**Market capitalisation** (USD'000)*	**Original EV/ EBITDA (A)**	**TCSP (B)**	**CCSP (C)**	**SP Δ (D) = (B) - (C)**	**Size-adjusted EV/EBITDA *** 1/[1/(A) + (D)]**
Quaser	126,701	9.28	2.91%	2.91%	0.00%	9.28
Amada	3,588,234	6.23	2.91%	0.66%	2.25%	5.47
World Precision	56,620	5.08	2.91%	2.91%	0.00%	5.08
Han's Laser	3,579,359	25.57	2.91%	0.66%	2.25%	16.23
Jiangsu Yawei	732,883	34.83	2.91%	1.24%	1.67%	22.02**
Takeda	20,083	3.90	2.91%	2.91%	0.00%	3.90
Okuma	1,719,474	8.35	2.91%	1.24%	1.67%	7.33
Yamazen	828,097	3.68	2.91%	1.24%	1.67%	3.46
Nadex	60,697	3.98	2.91%	2.91%	0.00%	3.98
DMG Mori	3,278,316	8.58	2.91%	0.66%	2.25%	7.19

* *The market capitalisations of the Comparable Companies were calculated as the product of their respective share prices and their respective numbers of share outstanding as at the Valuation Date. The share prices were converted from their local currency (i.e. RMB and HKD) to USD. All data used here are sourced from Bloomberg.*

** *The Grubbs' Test is adopted to identify the outliers of the EV/EBITDA by using their arithmetic mean ("Mean") and standard deviation ("SD"). Based on the Grubbs' Test, any EV/EBITDA falling beyond 1.645 times of SD above or below the Mean is considered an outlier. It is considered that the outlier threshold of 1.645 standard deviation from the mean was applied to (1) ensure peer group comparability to the subject business of the Target Company; (2) exclude multiples fundamentally disconnected from the core peer group; and (3) align with common valuation practice for small datasets of valuation multiples, aiming to retain the core majority of the datasets while reducing the risk of retaining extreme values. The mean and standard deviation of the size-adjusted EV/EBITDA multiples (from the ten companies after excluding the negative earnings company) were 8.39 and 6.09, respectively. The lower and upper bounds were calculated as -1.63 and 18.42, respectively. The size-adjusted EV/EBITDA for Jiangsu Yawei of 22.02 exceeded the upper bound and was therefore excluded as an outlier.*

*** *The resulting size-adjusted figures may not be exact due to rounding.*

The average of size-adjusted EV/EBITDA of the selected comparable companies (after excluding outlier) is 6.88. This is adopted as the benchmark multiple to be applied to the valuation of the Target Shares.

DISCOUNT FOR LACK OF MARKETABILITY ("DLOM")

DLOM is commonly considered in the valuations of privately held companies to reflect difference in the marketability of the shares of the subject private companies and that of the selected publicly traded comparable companies. We selected the appropriate DLOM based on the latest available 2024 Stout Restricted Stock Study on Determining Discount for Lack of Marketability, which incorporated an examination of 779 private placement transactions of unregistered common stock, with and without registration rights, issued by publicly traded companies from July 1980 through March 2024. The discount of 20.4% implied by these 779 private placement transactions in comparison with the corresponding publicly traded common stocks is generally considered an appropriate proxy for DLOM for closed held private businesses.

Table: The Fair Value of the equity of the Target Company as of Valuation Date

Adjusted EBITDA (EUR '000) (trailing-twelve-month)*	(A)	62,220
Size-adjusted EV/EBITDA	(B)	6.88
Enterprise Value (EUR '000)	(A) x (B) = (C)	428,074
Cash (EUR '000)**	(D)	63,104
Debt (EUR '000)**	(E)	128,100
Minority Interest (EUR '000)**	(F)	4,969
Equity Value before adjustment for non-operating assets and liabilities (EUR '000)	(C) + (D) - (E) - (F) = (G)	358,109
Add: Non-operating assets (EUR '000)**	(H)	1,160
Deduct: Non-operating liabilities (EUR '000)**	(I)	2,014
Equity Value before marketability discount adjustment (EUR '000)	(G) + (H) - (I) = (J)	357,255
DLOM	(K)	20.40%
Equity Value after marketability discount (EUR '000)	(J) x (1 - (K)) = (L)	284,375
Shareholding (%)	(M)	2.55%
Fair Value of the equity of Target Company (EUR '000) (rounded to the nearest ten thousand)	(L) x (M) = (N)	7,300***

* *Refer to page 2.*

** *Refer to page 6.*

*** *Figures may not exactly add up due to rounding.*

SOURCE OF INFORMATION AND CAVEATS

We have been provided with extracts of copies of relevant documents and financial information relating to the Target Company. We have relied upon the aforesaid information in forming our opinion of the Fair Value. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us. We have no reason to doubt the truth and accuracy of the said information which is material to the valuation. We have also been advised by the Target Company that no material facts have been omitted from the information provided. We have also made relevant inquiries and obtained further information as considered necessary for the purpose of this valuation.

While we have exercised our professional knowledge and cautions in adopting assumptions and other relevant key factors in our valuation, those factors and assumptions are still vulnerable to the change of the business, economic environment, competitive uncertainties or any other abrupt alternations of external factors.

ASSUMPTIONS

In the course of the valuation of the Target Shares, the following assumptions and caveats have been made. We have based on the following to arrive at the Fair Value of the Target Company.

(i) It is assumed that the Target Company will continue to operate as a laser and sheet metal processing machinery manufacturer in the foreseeable future;

(ii) It was assumed that the financial and operational information and information on the capital structure of the Target Company provided by the Company are accurate and truthful;

(iii) As the financial statements of the Target Company and Prima as at 30 June 2025 are not available to us, and the audited financial statements as at 31 December 2024 of Prima were issued on 14 April 2025, we have principally relied upon the financial statements of the Target Company and Prima as at 31 December 2024 to conduct the valuation. It is assumed that the annualised net profits and the financial positions of the Target Company and Prima did not change materially from 31 December 2024 to the Valuation Date;

(iv) It was assumed that the difference of the book values of assets and liabilities of the Target Company and Prima between the last reporting date and the Valuation Date would be immaterial;

(v) It was assumed that other than Prima, the Target Company did not have any other subsidiaries that held material assets and/or liabilities as of the Valuation Date;

(vi) It was assumed that there were no hidden or unexpected conditions associated with the assets valued that might adversely affect the reported value;

(vii) There would be no major changes in existing political, legal, fiscal or economic conditions in the country or district where the business was in operation;

(viii) There would be no major changes in the current taxation law in the areas in which the Target Company carried on its business, that the rate of tax payable remains unchanged and that all applicable laws and regulations would be complied with;

(ix) The inflation, interest rates and currency exchange rates would not differ materially from those presently prevailing;

(x) The Target Company would retain their management and technical personnel to maintain their ongoing operations;

(xi) There would be no major business disruptions through international crisis, industrial disputes, industrial accidents or severe weather conditions that would affect the existing business;

(xii) The Target Company would remain free from claims and litigation against the business or its customers that would have a material impact on the valuation;

(xiii) The Target Company were unaffected by any statutory notice and the operation of the business would not give rise to any contravention of any statutory requirements; and

(xiv) The laser and sheet metal processing machinery manufacturing business was not subject to any unusual or onerous restrictions or encumbrances.

LIMITING CONDITIONS

We have to a considerable extent relied on the financial data and other related information provided by the Target Company. We are not in a position to comment on the lawfulness of the business.

To the best of our knowledge, the statements of facts contained in this document, upon which the analysis and conclusions expressed are based, are true and correct. Information, estimates and opinions furnished to us and contained in this document or utilized in the formation of the Valuation were obtained from sources considered reliable and believed to be true and correct. However, no representation, liability or warranty for the accuracy of such items is assumed by or imposed on us.

To the extent that any of the adopted assumptions or facts provided to us are changed, the result of the Valuation would be different. It should be noted that the financial information regarding the Target Company provided to us has been represented by management and was assumed for the purposes of this opinion that such information was reasonably prepared with diligence and based on best efforts of management as to the current results of the operations and financial conditions of the Target Company.

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Neither the whole, nor any part of this report and valuation, nor any reference thereto may be included in any documents, circulars or statements without our written approval of the form and context in which it will appear.

MANAGEMENT CONFIRMATION OF FACTS

A draft of this report and our calculations have been sent to management of the Company. They have reviewed and orally confirmed to us that the facts, as stated in this report and calculations, are accurate in all material respects. Management confirms that they have performed the necessary due diligence on the information provided and understands that any material changes or errors in such information could lead to a substantial change in our valuation result. As of the date of this report, they are not aware of any material matters relevant to our engagement that were excluded.

Management should also acknowledge that the valuation was carried out using theoretical valuation approaches and thus could be different from any potential transaction prices. The valuation result should therefore be used for the Company's circular reference purpose only. It is noted that Management has reviewed all valuation results and agreed with all relevant valuation inputs and calculations.

REMARKS

Unless otherwise stated, all money amounts are stated in Euro dollars ("EUR").

We hereby confirm that we have neither present nor prospective interests in the Company, the Target Company and their respective holding companies, subsidiaries and associated companies, or the value reported herein.

The conclusion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. Further, while the assumptions and other relevant factors are considered by us to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Target Company, the Company and us.

OPINION OF THE VALUE

Based on the investigation and analysis stated above and the valuation method employed, we are of the opinion that as at the Valuation Date, the Fair Value of the 2.55% Equity of the Target Company was reasonably stated as approximately EUR7,300,000 (equivalent to approximately HK$67,000,000).

Yours faithfully,
For and on behalf of
APAC Asset Valuation and Consulting Limited

Jasper Chan
CFA, FRM
Director

Notes:

Jasper Chan, CFA, FRM

Mr. Jasper Chan is a CFA® charterholder and a certified FRM® with over 10 years of experience in handling valuations and financial modelling for financial reporting, merger and acquisition, financial derivatives, intangible assets, biological assets, mine valuations, etc. He also has extensive experience in providing valuation advisory services to private equity funds and providing litigation support in relation to commercial and matrimonial disputes. His work has covered a range of different industries including manufacturing, financial services, mineral resources, forestry, IT, pharmaceutical, casinos & gaming, etc.