

ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETING TO BE HELD ON 29 JUNE 2020 – RESPONSES TO QUESTIONS FROM SHAREHOLDERS

The Board of Directors of Forise International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to thank Shareholders for submitting their questions in advance of the Annual General Meeting (“**AGM**”) and Extraordinary General Meeting (“**EGM**”) to be held by way of electronic means on Monday, 29 June 2020 at 10.00 a.m. (Singapore time) and 11.00 a.m. (Singapore time) or immediately after closure of AGM.

The following are the Company’s responses to substantial and relevant questions that were raised by Shareholders.

A. QUESTIONS RECEIVED FROM SHAREHOLDERS

I. OPERATIONS

Question 1:

Is the Company still focusing on business operations of China since Mr Wang Xin has disposed a chunk of his stakes? Does the BOD feel that the corporate advisory business there is of little value since they have under-performed?

Company’s response:

As disclosed in the Company’s response to SGX queries dated 8 December 2019, Mr. Wang had resigned as Executive Chairman due to his personal reasons. Subsequently, as disclosed in the Company’s announcement dated 20 March 2020, Mr. Wang had disposed a substantial portion of his stakes in the Company.

As disclosed in the Company’s response to SGX queries dated 24 May 2020, the Group’s operations in the People’s Republic of China (the “**PRC**”) have been impacted and continue to be hampered by (i) the continuous slowdown in corporate activities in the PRC, and (ii) the US-PRC trade disputes which has further dampened business activity. The Company notes that the revenue from the Group’s operations in the PRC has shrunk and reported losses. The Company will adequately deploy its resources into the business areas that will enhance shareholders’ value.

Notwithstanding the above, the Group will continue to focus on the development and growth of its strategic planning, corporate advisory, financial restructuring and management consultancy business. In particular, the Group aims to further develop its business of corporate advisory and management consultancy services in the digital transformation industry utilising largely existing internal funding and resources.

The Group remains committed to its strategy of identifying and considering other business opportunities to expand and enhance the performance and net asset value of the Group.

Question 2:

What is happening with the Prisma Tech and Prisma AI propositions? Why did SGX disallow it? Why is SGX querying so much on the transactions? This is a very high level of scrutiny being imposed to an organisation. Is the Company planning to do more transparent disclosures in the future?

Company's response:

For investors to better understand the queries raised by SGX, all SGX queries and concerns were responded to in the Company's announcements dated 24 May 2020, 5 June 2020 and 9 June 2020.

The Company wishes to assure Shareholders that it has and will continue to disclose all material information in a timely, transparent and accurate manner and the Company remains committed to fulfilling its obligations, including without limitation the disclosure obligations, under the SGX-ST listing rules.

II. OUTLOOK / PLANS**Question 3:**

What are the Company's long-term plans with Prisma Tech?

Company's response:

As disclosed in the Company's response to SGX queries dated 24 May 2020, the Company is of the opinion that the artificial intelligence sector and corporate advisory and management consultancy services in this sector has strong prospects for growth and it is in the best interests of the Company and its Shareholders to increase the Company's exposure to businesses that are growing and to reduce and/or try to mitigate losses from businesses that are stagnant or in decline.

Question 4:

Can the Company share the long-term plans and pipelines and how it intends to create and enhance shareholder value?

Company's response:

As disclosed in the Company's response to Question 1 above, the Group will continue to focus on the development and growth of its strategic planning, corporate advisory, financial restructuring and management consultancy business. In particular, the Group aims to further develop its business of corporate advisory and management consultancy services in digital transformation industry utilising largely existing internal funding and resources.

To this end, the Company had entered into a joint venture with Prisma AI Corporation Pte Ltd and incorporated a subsidiary, Prisma Technologies Pte Ltd, which is in line with the Group's business strategy to enhance its corporate advisory and management consultancy business in the artificial intelligence sector, which the Board believes has the potential for growth to the benefit of the Company and its Shareholders.

The Group remains committed to its strategy of identifying and considering other business opportunities to expand and enhance the performance and net asset value of the Group.

Question 5:

Why is the Company doing the share consolidation exercise? Traditionally, it has only destroyed shareholder value as the shares post consolidation always tumbles down.

Company's response:

The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders for the following reasons:

Reduction of Volatility of the Share Price

As share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), low traded share prices may translate to higher transaction costs, relative to the trading prices, for each trading of one board lot of Shares. In addition, low traded share prices are generally more prone to speculation and market manipulation, which may result in excessive share price volatility. The Board therefore believes that the Proposed Share Consolidation may serve to (i) reduce the volatility of its share price and reduce fluctuations in the Company's market capitalisation, and (ii) reduce the percentage transaction cost for trading in each board lot of Shares.

Increase in the Market Interest and Attractiveness of the Company and its Shares

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Shares outstanding. It is expected that, all other things being equal, the theoretical trading price and net tangible assets ("NTA") of each Consolidated Share would be higher than the trading price and NTA of each existing Share following the decrease in the number of Shares in issue after the Proposed Share Consolidation. This may increase market interest and activity in the Shares, and generally make the Shares more attractive to investor

III. BOARD MATTERS

Question 6:

Is the Company planning to make changes to the management/BOD? Who is the new chairman?

Company's response:

As disclosed in the Company's responses to SGX queries dated 8 December 2019, the Nominating Committee will continuously assess and consider various options in respect of the composition of the Board of Directors, including, if deemed appropriate, appointing more executive Directors and enhance our management team. The Company will make such further announcement(s) if there are any further material developments to the composition of the Board of Directors, as and when appropriate.

IV. OTHERS

Question 7:

It is refreshing to see new shareholders and look forward to the plans ahead. It would be useful to know Mr Andrea's interest in Forise, his past successes and how he plans to add value to the business.

Company's response:

The Company understands that Mr Andrea comes from an IT background and notes that he has expressed interest in the Group's management consultancy business in the artificial intelligence sector.

As Mr Andrea is just one of the substantial shareholders of the Company and not part of the the Board nor the Group's management team, the Company is not in the position to disclose his past successes and is not aware of how he plans to add value to the business, if any.

By Order of the Board

PENG WEILE
Executive Director
25 June 2020