



合興集團控股有限公司
HOP HING GROUP HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

17 November 2021

To the Disinterested Shareholders and the Option Holders

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF
HOP HING GROUP HOLDINGS LIMITED BY
OCEAN EASE GLOBAL LIMITED BY WAY OF
A SCHEME OF ARRANGEMENT UNDER SECTION 86 OF
THE COMPANIES ACT OF THE CAYMAN ISLANDS
(2) OPTION OFFER
AND
(3) PROPOSED WITHDRAWAL OF LISTING**

We refer to the document dated 17 November 2021 jointly issued by the Offeror and the Company in relation to the Proposal (the “**Scheme Document**”), of which this letter forms part. Terms defined in the Scheme Document shall have the same meanings in this letter unless the context otherwise requires.

We, being all the independent non-executive Directors, have been appointed by the Board as members of the Independent Board Committee to make a recommendation to the Disinterested Shareholders and the Option Holders as to: (i) whether the terms of the Proposal, the Scheme and the Option Offer are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the EGM.

Somerley Capital Limited (“**Somerley**”) has been appointed, with our approval, as the Independent Financial Adviser to advise us in respect of the Proposal and the Option Offer. The details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the “Letter from Somerley” in Part V of the Scheme Document. In the letter from Somerley, it is stated that Somerley considers the terms of the Proposal, the Scheme and the Option Offer to be fair and reasonable and advises the Independent Board Committee to recommend the Scheme Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the EGM to approve and implement the Scheme, and the Option Holders to accept the Option Offer.

Having considered the terms of the Proposal, the Scheme and the Option Offer, and having taken into account the advice of Somerley, and in particular, the factors, reasons and recommendations set out in the letter from Somerley, we consider that the terms of the Proposal, the Scheme and the Option Offer are fair and reasonable so far as the Disinterested Shareholders and the Option Holders are concerned.

Accordingly, we recommend that:

- (i) the Disinterested Shareholders to vote **IN FAVOUR OF** the resolution to approve the Scheme at the Court Meeting;
- (ii) the Shareholders to vote **IN FAVOUR OF**: (i) the special resolution to approve the implementation of the Proposal and give effect to the reduction of the issued share capital of the Company by cancelling the Scheme Shares; and (ii) the ordinary resolution to immediately thereafter increase the issued share capital of the Company to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme for issue to the Offeror at the EGM; and
- (iii) the Option Holders to **ACCEPT** the Option Offer.

We draw the attention of the Scheme Shareholders and the Option Holders to (1) the letter from the Board as set out in Part III of the Scheme Document; (2) the letter from Somerley, which sets out the factors and reasons taken into account by the Independent Financial Adviser in arriving at its advice to the Independent Board Committee as set out in Part V of the Scheme Document; and (3) the Explanatory Memorandum as set out in Part VI of the Scheme Document.

Yours faithfully,
Independent Board Committee



Mr. SETO Gin Chung John
Independent
non-executive Director

Mr. SZE Tsai To, Robert
Independent
non-executive Director

Mr. WAN Sai Cheong, Joseph
Independent
non-executive Director


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