

# KING FORCE GROUP HOLDINGS LIMITED

## 冠輝集團控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

31 May 2018

*To the Independent Shareholders and Optionholders*

Dear Sir or Madam,

**MANDATORY CONDITIONAL CASH OFFERS BY  
EMPEROR SECURITIES LIMITED  
FOR AND ON BEHALF OF THE OFFEROR  
TO ACQUIRE ALL THE ISSUED SHARES IN THE SHARE CAPITAL OF THE COMPANY  
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE  
OFFEROR AND PARTIES ACTING IN CONCERT WITH IT) AND  
TO CANCEL ALL OUTSTANDING SHARE OPTIONS OF THE COMPANY**

### INTRODUCTION

We refer to the composite offer document dated 31 May 2018 issued jointly by the Company and the Offeror to the Independent Shareholders and Optionholders (the “**Composite Offer Document**”), of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined elsewhere in this Composite Offer Document unless the context requires.

We have been appointed to form the Independent Board Committee to consider the terms of the Offers and to advise you as to whether, in our opinion, the terms of the Offers are fair and reasonable so far as the Independent Shareholders and Optionholders are concerned and acceptances to the Offers.

Crescendo Capital Limited has been appointed as the Independent Financial Adviser to advise us in respect of the Offers. Your attention is drawn to the “Letter from the Independent Financial Adviser” on pages 29 to 49 of the Composite Offer Document containing its advice to us and the principal factors and reasons taken into account by it in arriving at such advice.

We also wish to draw your attention to the “Letter from the Board” as set out on pages 20 to 26 of the Composite Offer Document, the “Letter from Emperor Securities” as set out on pages 7 to 19 of the Composite Offer Document and the additional information set out in the appendices to the Composite Offer Document and the accompanying Forms of Acceptance and Transfer.

### RECOMMENDATION

Having considered the terms of the Offers and the letter of advice and recommendation from Crescendo Capital Limited, we consider that the terms of the Offers are fair and reasonable so far as the Independent Shareholders and Optionholders are concerned. Accordingly, we recommend the Independent Shareholders and the Optionholders to accept the Share Offer and the Option Offer, respectively.

However, Independent Shareholders and Optionholders who intend to accept the Offers are

reminded to closely monitor the market price and liquidity of the Shares during the Offer Period, and consider selling their Shares or exercising their Share Options and selling their Shares in the open market rather than accepting the Offers if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Offers.

The Independent Shareholders and Optionholders are also reminded that the decision to realise or to hold your investment in the Shares is subject to individual circumstances and investment objectives and they should consider carefully the terms of the Offers. If in doubt, the Independent Shareholders and Optionholders should consult their own professional advisers for professional advice. Furthermore, the Independent Shareholders and Optionholders who wish to accept the Offers are recommended to read carefully the procedures for accepting the Offers as detailed in this Composite Offer Document.

Yours faithfully,

For and on behalf of  
the Independent Board Committee  
**King Force Group Holdings Limited**

A handwritten signature in black ink, appearing to be 'Xiong Hong', with a checkmark to its left.

**Mr. Xiong Hong**

**Mr. Wan Tat Wai David**  
*Independent Non-executive Directors*

**Mr. Ho Yuk Ming Hugo**

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**King Force Group Holdings Limited**



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*Independent Non-executive Directors*

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*Independent Non-executive Directors*



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