

**CNC HOLDINGS LIMITED**  
**中國新華電視控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8356)**

15 March 2024

*To the Independent Shareholders*

Dear Sir or Madam,

- (1) CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF NEW SHARES UNDER SHARE SPECIFIC MANDATE;**
- (2) SPECIAL DEAL AND CONNECTED TRANSACTION IN RELATION TO FIFTH AMENDMENT OF THE TERMS AND CONDITIONS OF THE EXISTING CONVERTIBLE BONDS;**
- (3) SPECIAL DEAL AND CONNECTED TRANSACTION IN RELATION TO THE ISSUE OF CONVERTIBLE BONDS A UNDER CB SPECIFIC MANDATE A;**
- (4) SPECIAL DEAL AND CONNECTED TRANSACTION IN RELATION TO THE ISSUE OF CONVERTIBLE BONDS B UNDER CB SPECIFIC MANDATE B;**
- AND**
- (5) NOTICE OF EXTRAORDINARY GENERAL MEETING**

We refer to the circular of the Company dated 15 March 2024 (the “Circular”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Listing Rules Independent Board Committee and to advise the Independent Shareholders as to whether, in our opinion, the terms of each of the Share Subscription Agreement, the Fifth Supplemental Deed, the CB Subscription Agreement A and the CB Subscription Agreement B, and the respective transactions contemplated thereunder (each of which constitutes a connected transaction on the part of the Company) are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders how to vote in relation to the ordinary resolutions to approve, among others, (i) the Share Subscription Agreement and the transactions contemplated thereunder (including the Share Specific Mandate to issue the Subscription Shares); (ii) the Fifth Supplemental Deed and the transactions contemplated thereunder; (iii) the CB Subscription Agreement A and the transactions contemplated thereunder (including the CB Specific Mandate A to issue the Conversion Shares to be converted under the Convertible Bonds A and the CB Interest Shares A); and (iv) the CB Subscription Agreement B and the transactions contemplated thereunder (including the CB Specific Mandate B to issue the Conversion Shares to be converted under the Convertible Bonds B and the CB Interest Shares B) (each of which constitutes a connected transaction on the part of the Company), to be proposed at the EGM, details of which are set out in the "Letter from the Board" contained in the Circular.

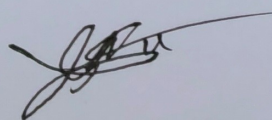
INCU Corporate Finance Limited has been appointed with the approval of the Listing Rules Independent Board Committee as the Independent Financial Adviser to advise the Listing Rules Independent Board Committee and the Independent Shareholders in these respects. Details of its advice, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 58 to 108 of the Circular. Your attention is also drawn to the Letter from the Board set out on pages 11 to 51 of the Circular and the additional information set out in the appendices to this Circular.

## **RECOMMENDATION**

Having considered the terms of the Relevant Transactions and the advice from the Independent Financial Adviser, we consider that although the transactions contemplated under each of the Share Subscription Agreement, the Fifth Supplemental Deed, the CB Subscription Agreement A and the CB Subscription Agreement B are not in the ordinary and usual course of the business of the Group, the terms of the (i) the Share Subscription Agreement and the transactions contemplated thereunder (including the grant of the Share Specific Mandate), (ii) the Fifth Supplemental Deed and the transactions contemplated thereunder; (iii) the CB Subscription Agreement A and the transactions contemplated thereunder (including the grant of the CB Specific Mandate A); and (iv) the CB Subscription Agreement B and the transactions contemplated thereunder (including the grant of the CB Specific Mandate B)(each of which constitutes a connected transaction on the part of the Company), are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Share Subscription Agreement, the Fifth Supplemental Deed, the CB Subscription Agreement A and the CB Subscription Agreement B, and the respective transactions contemplated thereunder (each of which constitutes a connected transaction on the part of the Company).

Yours faithfully,  
For and on behalf of  
the Listing Rules Independent Board Committee of  
**CNC HOLDINGS LIMITED**



**Mr. Wu Guo Ming**

*Independent non-  
executive Director*

**Mr. Wan Chi Keung,  
Aaron, BBS, JP.**

*Independent non-  
executive Director*

**Mr. Kwok Man To  
Paul**


*Independent non-  
executive Director*

**Mr. Chin Chi Ho  
Stanley**

*Independent non-  
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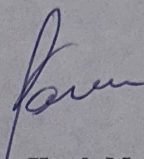
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