

19 July 2024

*To the Independent Shareholders,*

Dear Sir or Madam,

**(1) PROPOSED CAPITAL REORGANISATION;  
(2) CONNECTED TRANSACTIONS: LOAN CAPITALISATION  
INVOLVING ISSUE OF ORDINARY SHARES AND  
CONVERTIBLE PREFERENCE SHARES  
UNDER CONNECTED SPECIFIC MANDATE;  
AND  
(3) APPLICATION FOR WHITEWASH WAIVER**

**INTRODUCTION**

We refer to the circular of the Company dated 19 July 2024 (the “**Circular**”), of which this letter forms part. Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context otherwise requires.

We have been appointed by the Board to advise you as to whether (i) the Capital Reorganisation; (ii) the IAM Loan Capitalisation Agreement and the Quantum Loan Capitalisation Agreement; (iii) the grant of the Connected Specific Mandate; and (iv) the Whitewash Waiver, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and make recommendation as to voting.

Details of the advice of Gram Capital, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 48 to 82 of the Circular. Your attention is also drawn to the letter from the board set out on pages 11 to 43 of the Circular and the additional information set out in the appendix of the Circular.

#### RECOMMENDATION

Having considered the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Waiver and the advice of Gram Capital, we are of the view that the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement and the transactions contemplated thereunder, the grant of the Connected Specific Mandate and the Whitewash Waiver are on normal commercial terms and are fair and reasonable. Although these transactions are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders (including the Independent Shareholders). Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the HGM to approve the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Waiver.

Your faithfully,  
For and on behalf of  
Coco Independent Board Committee

**Dr. CHENG**  
Yanfic  
Non-executive  
Director

**Mr. LAU**  
Fai Lawrence  
Independent  
non-executive  
Director

**Mr. HSU**  
Dong An  
Independent  
non-executive  
Director

**Mr. HEUNG**  
Pik Lun  
Independent  
non-executive  
Director

程彦非

Details of the advice of Gram Capital, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 48 to 82 of the Circular. Your attention is also drawn to the letter from the board set out on pages 11 to 43 of the Circular and the additional information set out in the appendix of the Circular.

## RECOMMENDATION

Having considered the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Wavier and the advice of Gram Capital, we are of the view that the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement and the transactions contemplated thereunder, the grant of the Connected Specific Mandate and the Whitewash Wavier are on normal commercial terms and are fair and reasonable. Although these transactions are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders (including the Independent Shareholders). Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Wavier.

Your faithfully,  
For and on behalf of  
Code Independent Board Committee



**Dr. CHENG**  
**Yanjie**  
*Non-executive*  
*Director*

**Mr. LAU**  
**Fai Lawrence**  
*Independent*  
*non-executive*  
*Director*

**Mr. HSU**  
**Dong An**  
*Independent*  
*non-executive*  
*Director*

**Mr. HEUNG**  
**Pik Lun**  
*Independent*  
*non-executive*  
*Director*

Details of the advice of Gram Capital, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 48 to 82 of the Circular. Your attention is also drawn to the letter from the board set out on pages 11 to 43 of the Circular and the additional information set out in the appendix of the Circular.

#### RECOMMENDATION

Having considered the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Wavier and the advice of Gram Capital, we are of the view that the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement and the transactions contemplated thereunder, the grant of the Connected Specific Mandate and the Whitewash Wavier are on normal commercial terms and are fair and reasonable. Although these transactions are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders (including the Independent Shareholders). Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Wavier.

Your faithfully,  
For and on behalf of  
Code Independent Board Committee



**Dr. CHENG**  
**Yanjie**  
*Non-executive*  
*Director*

**Mr. LAU**  
**Fai Lawrence**  
*Independent*  
*non-executive*  
*Director*

**Mr. HSU**  
**Dong An**  
*Independent*  
*non-executive*  
*Director*

**Mr. HEUNG**  
**Pik Lun**  
*Independent*  
*non-executive*  
*Director*

Details of the advice of Gram Capital, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 48 to 82 of the Circular. Your attention is also drawn to the letter from the board set out on pages 11 to 43 of the Circular and the additional information set out in the appendix of the Circular.

## RECOMMENDATION

Having considered the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Wavier and the advice of Gram Capital, we are of the view that the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement and the transactions contemplated thereunder, the grant of the Connected Specific Mandate and the Whitewash Wavier are on normal commercial terms and are fair and reasonable. Although these transactions are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders (including the Independent Shareholders). Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Capital Reorganisation, the IAM Loan Capitalisation Agreement, the Quantum Loan Capitalisation Agreement, the grant of the Connected Specific Mandate and the Whitewash Wavier.

Your faithfully,  
For and on behalf of  
Code Independent Board Committee

**Dr. CHENG**  
Yanjie  
*Non-executive*  
*Director*

**Mr. LAU**  
Fai Lawrence  
*Independent*  
*non-executive*  
*Director*

**Mr. HSU**  
Dong An  
*Independent*  
*non-executive*  
*Director*

**Mr. HEUNG**  
Pik Lun  
*Independent*  
*non-executive*  
*Director*

