

5 December 2022

To: *The independent board committee and the independent shareholders
of Rizhao Port Jurong Co., Ltd.*

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTION AND MAJOR TRANSACTION

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the deposit services contemplated under the 2022 – 2024 Financial Service Framework Agreement (the “**Deposit Services**”), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 5 December 2022 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 28 October 2022, the Company and QDP Finance entered into the 2022 – 2024 Financial Service Framework Agreement, pursuant to which QDP Finance agreed to provide deposit and settlement services to the Company. The term of the such agreement will commence on the Effective Date and ending on 31 December 2024, subject to early termination by either party giving at least 6 months’ prior written notice to the other party.

With reference to the Board Letter, the Deposit Services constitute a major and continuing connected transaction of the Company and are subject to the reporting, announcement and independent shareholders’ approval requirements for continuing connected transactions under Chapters 14 and 14A of the Listing Rules.

The Independent Board Committee comprising Mr. ZHANG Zixue, Mr. LEE Man Tai and Mr. WU Xibin (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Deposit Services are on normal commercial terms and are fair and reasonable; (ii) whether the Deposit Services are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Company; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Deposit Services at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as the independent financial adviser to the independent board committee and independent shareholders of the Company in relation to (i) continuing connected transactions as set out in the Company's circular dated 23 April 2021; (ii) continuing connected transactions as set out in the Company's circular dated 15 January 2022; and (iii) (a) continuing connected transactions; and (b) discloseable and connected transaction as are set out in the Company's announcements dated 19 September 2022 and 13 October 2022 respectively. Save for the aforesaid engagements, there was no other service provided by Gram Capital to the Company with executed agreement during the past two years immediately preceding the Latest Practicable Date.

Notwithstanding the aforesaid engagements, as at the Latest Practicable Date, we were not aware of any relationships or interests between Gram Capital and the Company or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser.

Besides, apart from the advisory fee and expenses payable to us in connection with this engagement as the Independent Financial Adviser, there is no arrangement whereby we shall be entitled to receive any other fees or benefits from the Company.

Having considered the above and that (i) none of the circumstances as set out under the Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date; and (ii) the aforesaid past engagements will not affect our independence to act as the Independent Financial Adviser due to the fact that (a) we were appointed as independent financial adviser to advise the Independent Board Committee and the then independent Shareholders and the past engagements did not fall into any circumstances as set out under the Rule 13.84 of the Listing Rules, therefore we maintained our independence from the Company during the aforesaid past engagements; and (b) the advisory fee of the aforesaid past engagements paid by the Company to us accounted for an insignificant portion of our revenue for the relevant period, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the 2022 – 2024 Financial Service Framework Agreement. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement as contained in the Circular or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, QDP Finance and each of their respective subsidiaries or associates, nor have we considered the taxation implication on the Company or the Shareholders as a result of the entering into the 2022 – 2024 Financial Service Framework Agreement. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Deposit Services, we have taken into consideration the following principal factors and reasons:

Information on the Company

With reference to the Board Letter, the Company, a joint stock company incorporated in the PRC with limited liability, is principally engaged in comprehensive port-related services, including stevedoring, berth leasing, port management, storage, and logistics agency services.

Information on QDP Finance

QDP Finance, is a non-banking financial institution established in the PRC on 22 July 2014 and is subject to the Administrative Measures on Finance Companies within Group Enterprises (《企業集團財務公司管理辦法》) (the “Administrative Measures”) and other relevant regulations promulgated by PBOC and CBIRC. The establishment of such non-banking financial institutions is subject to approval by CBIRC and its operation is subject to the ongoing supervision of CBIRC. Non-banking financial institutions shall comply with applicable regulations relating to interest rate issued by PBOC and CBIRC.

As at the Latest Practicable Date, QDP Finance was directly held as to (i) 70% by Qingdao Port International, which is in turn held as to approximately 55.77% by Qingdao Port Group; and (ii) 30% by Qingdao Port Group. Qingdao Port International is a joint stock company established in the PRC with limited liability whose H shares are listed on the Main Board of the Stock Exchange (stock code: 6198) and A shares are listed on the Main Board of Shanghai Stock Exchange (stock code: 601298). Qingdao Port Group is a wholly-owned subsidiary of Shandong Port Group, which is a state-owned enterprise ultimately controlled by Shandong SASAC.

We also noted that the Administrative Measures was promulgated by CBIRC with the latest version of such document taking effect from 13 November 2022. The Administrative Measures is to regulate the operation of group finance companies and reduce the possible financial risk. We noted that the Administrative Measures set out certain compliance and risk control requirements/measures in relation to the operation of group financing companies, including but not limited to maintaining certain financial ratios at all times.

The table below sets out the key financial ratio requirements of 《企業集團財務公司管理辦法》(中國銀行業監督管理委員會令2006年第8號) (the Administrative Measures on Finance Companies within Group Enterprises (No. 8 order in 2006 of China Banking Regulatory Commission)*, the “Previous Administrative Measures”) and 《企業集團財務公司風險監管指標考核暫行辦法》(the Provisional Measures for Risk Regulation Indicators Assessment of Finance Companies of Business Group*) (Note: the aforesaid documents were superseded/voided on 13 November 2022) and the respective financial ratios of QDP Finance for the two years ended 31 December 2021 as provided by the Company.

Financial ratio	Requirements (Note)	Financial ratios of QDP Finance	
		For the year ended 31 December 2021 (approximate %)	For the year ended 31 December 2020 (approximate %)
		<i>Lowest during the respective period</i>	
Capital adequacy ratio	Not less than 10%	16.13	21.10
		<i>Highest during the respective period</i>	
Inter-financial institution borrowing balances to total capital ratio	Not more than 100%	23.15	17.58
Total amount of outstanding guarantees to total capital ratio	Not more than 100%	10.68	12.18
Long-term and short-term investment to total capital ratio	Not more than 70%	63.83	67.77
Self-owned fixed assets to total capital ratio	Not more than 20%	0.15	0.13
Non-performing loan ratio	Not more than 5%	Nil	Nil

Note: QDP Finance is required to comply with relevant financial ratios requirements as set out in the Administrative Measures, which may be different from the previous financial ratios requirements contemplated under the Previous Administrative Measures.

As shown in the table above, QDP Finance complied with the relevant financial ratio requirements as set out in the Previous Administrative Measures during 2020 and 2021. As also confirmed by the Directors, they were not aware of any non-compliance record with relevant laws and regulations of the PRC on the QDP Finance in recent three years.

According to QDP Finance’s articles of association, shareholders of QDP Finance shall undertake in writing that in the event that QDP Finance experiences any urgent payment difficulties, they will provide funding to QDP Finance to satisfy its capital needs according to QDP Finance’s actual needs for solving the difficulties.

Reasons for benefit of entering into the Deposit Services

In January 2022, Shandong Port Group, Qingdao Port International, QDP Finance, Rizhao Port and RPG Finance entered into an absorption and merger agreement, pursuant to which, RPG Finance will merge with QDP Finance by way of absorption and merger. Upon completion of the absorption and merger, QDP Finance (as the surviving merging party) shall remain subsisting and undertake and inherit all the assets, liabilities, personnel and businesses of RPG Finance and RPG Finance (as the merged party) will be dissolved and deregistered. Hence, QDP Finance will be the only non-banking financial institution within Shandong Port Group to provide deposit, settlement and other financial services to Shandong Port Group and its subsidiaries/affiliated companies, including the Company. We also noted from 《中國銀保監會非銀行金融機構行政許可事項實施辦法》 (Implementation Measures of the CBIRC on Administrative Licensing on Non-bank Financial Institutions*) promulgated by CBIRC in 2020 that each enterprise group (企業集團) can only set up one finance company.

In the ordinary course of business of the Company, the Company transacts with various subsidiaries/affiliated companies of Shandong Port Group which maintain or will maintain settlement accounts with QDP Finance. The centralised maintenance of deposits by the Company with QDP Finance will facilitate clearance with other members of Shandong Port Group, reduce processing time and is generally more administratively efficient than settlement through independent banks. In addition, QDP Finance has undertaken that the deposit interest rates are determined in accordance with the rates published by the PBOC and are not lower than the market rates provided by independent commercial banks, which is conducive to safeguarding Shareholders' interests and achieving win-win cooperation. Accordingly, the Company entered into the 2022 – 2024 Financial Service Framework Agreement to procure deposit and settlement services from QDP Finance.

Pursuant to the 2022 – 2024 Financial Service Framework Agreement, the deposit interest rates are determined in accordance with the rates published by the PBOC and are not lower than the market rates provided by independent commercial banks.

Having considered above factors, in particular, (i) that QDP Finance will be the only non-banking financial institution within Shandong Port Group to provide deposit, settlement and other financial services to Shandong Port Group and its subsidiaries/affiliated companies; and (ii) the pricing policies for the Deposit Services as mentioned above, we are of the view that the Deposit Services are conducted in the ordinary and usual course of business of the Company and are in the interests of the Company and the Shareholders as a whole.

1. Principal terms of the Deposit Services under the 2022 – 2024 Financial Service Framework Agreement

Set out below are the principal terms of the Deposit Services, details of which are set out under the section headed “2022 – 2024 FINANCIAL SERVICE FRAMEWORK AGREEMENT” of the Board Letter.

Date:	28 October 2022
Parties:	(a) The Company (as the service recipient); and (b) QDP Finance (as the service provider).
Nature of transactions:	QDP Finance agreed to provide the Deposit Services to the Company.
Pricing terms:	The deposit interest rates are determined in accordance with the rates published by the PBOC and are not lower than the market rates provided by independent commercial banks. The interest rate of other financial services related to or similar to the deposit service shall not be lower than the interest rates offered by independent commercial banks for comparable financial services.
Termination of 2020 – 2022 Financial Service Framework Agreement:	The 2020 – 2022 Financial Service Framework Agreement (as amended by the 2021 Supplemental Agreement) will be terminated with effect from the date of dissolution and deregistration of RPG Finance.
Conditions precedent:	The 2022 – 2024 Finance Service Framework Agreement is conditional upon (i) the resolutions regarding the 2022 – 2024 Finance Service Framework Agreement, the Proposed Annual Caps and the transactions contemplated thereunder being approved by the Independent Shareholders at the EGM and (ii) QDP Finance obtaining the approval of CBIRC on the absorption and merger of QDP Finance and RPG Finance.

With reference to the Board Letter, the Company has adopted internal control measures relating to the transactions under the 2022 – 2024 Financial Service Framework Agreement, details of which are set out under the sub-section headed “INTERNAL CONTROL MEASURES” of the Board Letter. As there will be deposit interest rate collection and comparison procedures prior to making a deposit with QDP Finance, we consider that the implementation of the aforesaid measures would help to ensure fair determination of interest rates of the Deposit Services according to the pricing policies.

As stated in the Board Letter, the Company and QDP Finance did not conduct any similar transactions as those under the 2022 – 2024 Financial Service Framework Agreement in the past, we could not conduct sampling works for historical deposit services between the Company and QDP Finance. However, as the transaction nature of the Deposit Services and the deposit services contemplated under the 2020 – 2022 Financial Service Framework Agreement (as amended by the 2021 Supplemental Agreement) (the “Existing Deposit Services”) is generally the same and there were also internal control measures adopted for the Existing Deposit Services, we therefore requested the Company to provide documents to illustrate the interest rates determination of the Existing Deposit Services (as a result of effectiveness of the implementation of the internal control measures).

Upon our request, the Directors provided us over 20 copies of internal deposit records covering the period from January 2020 to September 2022, showing the deposit interest rates offered by RPG Finance to the Company during the aforesaid period. After reviewing the internal deposit records and according to the deposit interest rates as promulgated by PBOC and published in the websites of three independent commercial banks, the deposit interest rates offered by RPG Finance were not lower than the deposit interest rates for the same type of deposits as promulgated by PBOC and published in the websites of three independent commercial banks for the same period.

As also stated in the Company’s internal control measures, the Company’s finance office will closely monitor the actual transaction amounts under the 2022 – 2024 Financial Service Framework Agreement on a daily basis and will take further action if the actual transaction amounts reach certain threshold of the annual caps. We consider that there are sufficient internal control measures to monitor the actual transactions mounts being not exceeded the annual caps.

Furthermore, we discussed with staff of the Company’s finance office (i.e. the department involving in the deposit interest rate collection and comparison procedures; and annual cap monitoring works) and understood that the staff of the Company’s finance office (i) was aware of the internal control measures; and (ii) would continuously comply with such measures when conducting the Deposit Services.

Having also considered our findings above, we do not doubt the effectiveness of the implementation of the internal control measures for the Deposit Services.

2. The Proposed Annual Caps

The Company and QDP Finance did not conduct any similar transactions as those under the 2022 – 2024 Financial Service Framework Agreement in the past. Set out below are (i) the historical maximum daily balance of deposits placed by the Company with RPG Finance, and interest income during the two years ended 31 December 2020 and 2021; and (ii) the proposed annual caps for the Deposit Services for the period from the Effective Date and up to 31 December 2024:

Historical transaction amounts	For the year ended 31 December 2020 (RMB'000)	For the year ending 31 December 2021 (RMB'000)	For the period from
			1 January 2022 to the date of 2022 – 2024 Financial Service Framework Agreement (RMB'000)
Maximum daily balance of deposits	161,205	176,400	177,071
Existing annual caps	N/A (Note)	180,000	180,000
Utilisation rate	N/A (Note)	98.0%	98.4%
Interest income	874	2,734	2,678
Existing annual caps	3,000	3,000	3,000
Utilisation rate			
	From the Effective Date to 31 December 2022 (the “2022 Period”) (RMB'000)	for the year ending 31 December 2023 (“FY2023”) (RMB'000)	for the year ending 31 December 2024 (“FY2024”) (RMB'000)
Maximum daily balance of Deposits (the “Deposit Cap(s)”)	350,000	360,000	370,000
Interest income (the “Interest Cap(s)”)	600	7,000	7,500

Note: An extraordinary general meeting was convened on 27 August 2021 to approve the resolution in respect of the ratification of the existing annual cap for the year ended 31 December 2020 by an amount equal to the maximum daily balance of deposits placed by the Company with RPG Finance under the 2020 – 2022 Financial Service Framework Agreement for the year ended 31 December 2020. The aforesaid resolution was approved by the then independent Shareholders.

The Deposit Caps and the Interest Caps were estimated based on various factors, details of which are set out under the section headed “Proposed Annual Caps and Basis of Determination” of the Board Letter.

The Deposit Caps

According to the above table, we noted that utilisation rates of the existing annual cap were 98.0% for the year ended 31 December 2021 and approximately 98.4% for the period from 1 January 2022 to the date of 2022 – 2024 Financial Service Framework Agreement respectively. Such utilisation rates were at high level.

The Deposit Caps for the 2022 Period, FY2023 and FY2024 were significantly higher than the existing annual caps for the three years ending 31 December 2022. To assess the fairness and reasonableness of the Deposit Caps, we performed the following analyses:

- According to the Company’s 2022 interim report, as at 30 June 2022, the Company had cash and cash equivalents of approximately RMB804.1 million. As mentioned in the Company’s prospectus dated 31 May 2019, the Company planned to maintain around 50% of its deposits with independent commercial banks after listing. Therefore, the Deposit Cap for the 2022 Period was close to the half of the Company’s cash and cash equivalents as at 30 June 2022.
- The existing annual caps for the two years ending 31 December 2022 was stated in 2021 Supplemental Agreement.

We summarised the relevant financial information (i) for the year ended 31 December 2021, being the latest available public full-year financial information immediately prior to the date of 2022 – 2024 Financial Service Framework Agreement; (ii) for the year ended 31 December 2020, being the latest available public full-year financial information immediately prior to the date of the 2021 Supplemental Agreement; and (iii) for the six months ended 30 June 2022, being the latest available public financial information immediately prior to the date of 2022 – 2024 Financial Service Framework Agreement, as follows:

	For the year ended 31 December 2021 (RMB'000)	For the year ended 31 December 2020 (RMB'000)	Change in amount (RMB'000)	Increase rate (Approximately %)
Revenue	758,421	615,318	143,103	23%

	As at 30 June 2022 (RMB'000)	As at 31 December 2020 (RMB'000)	Change in amount (RMB'000)	Increase rate
Cash and cash equivalents	804,092	280,280	523,812	187%

Based on the above table, we noted that the Company's cash and cash equivalents as 30 June 2022 increased significantly as compared to that as at 31 December 2020. There was a substantial increase in the Company's revenue for the year ended 31 December 2021 as compared to that for the year ended 31 December 2020. Therefore, we consider that the increase in the Deposit Cap for the 2022 Period, as compared to the existing deposit cap for the year ending 31 December 2022 to be acceptable.

- The Deposit Cap increases by RMB10 million for each of the two years ending 31 December 2024. The aforesaid increases amounts were also in line with the change of maximum daily balance of deposits in RPG Finance from 2020 to 2021 (i.e. approximately RMB15.2 million).

Based on the above factors, we are of the view that the Deposit Caps for the 2022 Period, FY2023 and FY2024 are fair and reasonable.

As advised by the Directors, it is difficult to forecast the total cash level for whole period of the three years ending 31 December 2024. Nevertheless, should there be any substantial increase in total cash of the Company, the Company may opt to deposit larger portion of cash in commercial banks or re-comply with the applicable provisions of the Listing Rules governing continuing connected transaction to revise the Deposit Caps.

The Interest Caps

The Directors advised us that they determined the Interest Caps for the period from the Effective Date and up to 31 December 2024 after taking into account of (i) the Deposit Caps for the period from the Effective Date and up to 31 December 2024; (ii) the estimated deposit interest rate for the Deposit Services; and (iii) buffers of less than 10% were adopted in addition to the estimated interest income for the two years ending 31 December 2024. According to the deposit records, the estimated deposit interest rate represented the maximum deposit rates adopted by RPG Finance.

The 2022 – 2024 Financial Service Framework Agreement is subject to, among other things, the resolutions regarding the 2022 – 2024 Financial Service Framework Agreement, the proposed annual caps and the transactions contemplated thereunder being approved by the Independent Shareholders at an extraordinary general meeting. The Company had expected the extraordinary general meeting to be held at late November 2022 or beginning of December 2022. Therefore, for FY2022, there will be approximately one month from the Effective Date to 31 December 2022. The estimated interest income for the 2022 Period was set in proportional to the period from the Effective Date to 31 December 2022. As the Interest Cap for the 2022 Period was close to the estimated interest income for the 2022 Period, we consider the Interest Cap for the 2022 Period to be fair and reasonable.

In addition, the estimated interest income for FY2023 and FY2024 was calculated by the Deposit Caps for FY2023 and FY2024 multiplying the estimated deposit interest rate respectively. Furthermore, buffers of less than 10% were adopted in addition to the estimated interest income for the two years ending 31 December 2024. As advised by the Directors, the buffers of less than 10% were applied so as to cover unexpected increase in deposit interest rates of the Deposit Services. We also noted from other Hong Kong listed companies' circulars regarding continuing connected transactions that the incorporation of buffer of 10% in the proposed annual caps are common among listed companies in Hong Kong. Therefore, we consider the buffers of less than 10% were justifiable. Accordingly, we are of the view that the Interest Caps for the two years ending 31 December 2024 are fair and reasonable.

Shareholders should note that as the Deposit Caps and Interest Caps for the 2022 Period, FY2023 and FY2024 are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2024, and they do not represent forecasts of cash position of the Company/revenue to be generated from the Deposit Services. Consequently, we express no opinion as to how closely the actual cash position of the Company/revenue to be generated from the Deposit Services will correspond with the Deposit Caps/Interest Caps.

LISTING RULES IMPLICATION

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the maximum/actual values of the Deposit Services must be restricted by their respective annual caps for the Deposit Caps and the Interest Caps (as the case may be); (ii) the terms of the Deposit Services must be reviewed by the independent non-executive Directors annually; and (iii) details of independent non-executive Directors' annual review on the terms of the Deposit Services must be included in the Company's subsequent published annual reports.

Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Deposit Services (i) have not been approved by the Board; (ii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iii) have exceeded the annual caps.

In the event that the maximum/actual amounts of the Deposit Services are anticipated to exceed the Deposit Caps and/or the Interest Caps, or that there is any proposed material amendment to the terms of the 2022 – 2024 Financial Service Framework Agreement, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transaction.

Given the above stipulated requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the Deposit Services and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Deposit Services are on normal commercial terms and are fair and reasonable; and (ii) the Deposit Services are conducted in the ordinary and usual course of business of the Company and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Deposit Services and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited



Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.