



福田實業(集團)有限公司

Fountain Set (Holdings) Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 420)

6 June 2023

To the Independent Shareholders

Dear Sir or Madam,

**REVISION OF EXISTING ANNUAL CAPS FOR
CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular of the Company to the Shareholders dated 6 June 2023 (the “Circular”), of which this letter forms part. Terms defined in the Circular shall bear the same meanings when used herein unless the context requires otherwise.

We have been appointed to form the Independent Board Committee to consider and advise the Independent Shareholders on whether the Chinatex Supplemental Agreement and the COFCO Finance Supplemental Agreement are fair and reasonable so far as the Independent Shareholders are concerned and the entering into of the Chinatex Supplemental Agreement and the COFCO Finance Supplemental Agreement is in the interests of the Company and the Shareholders as a whole. Donvex Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Chinatex Supplemental Agreement and the COFCO Finance Supplemental Agreement.

Your attention is drawn to the letter from the Board and the letter from Donvex Capital containing its advice to us and the Independent Shareholders as set out in the Circular respectively.

Having considered, among other things, the factors and reasons considered by, and the opinion of Donvex Capital, we are of the opinion that the Chinatex Supplemental Agreement and the COFCO Finance Supplemental Agreement are fair and reasonable so far as the Independent Shareholders are concerned and the entering into of the Chinatex Supplemental Agreement and the COFCO Finance Supplemental Agreement is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the AGM.

Yours faithfully,



Mr. NG Kwok Tung



Mr. YING Wei



Mr. William LAM



Mr. WONG Kwong Chi

Independent Board Committee