



(formerly known as China LotSynergy Holdings Limited 華彩控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1371)

14 April 2021

To the Independent Shareholders

**(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF
TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE
HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS
(II) PROPOSED CONNECTED TRANSACTION IN RELATION TO THE SET-OFF
AND
(III) APPLICATION FOR WHITEWASH WAIVER**

Dear Sir or Madam,

We refer to the circular of the Company dated Wednesday, 14 April 2021 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to (i) whether the terms of the Rights Issue, the Set-Off and the Whitewash Waiver are fair and reasonable as far as the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole; and (ii) whether to recommend the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the SGM to approve the Rights Issue, the Set-Off and the Whitewash Waiver.

We wish to draw your attention to (i) the letter of advice from Gram Capital, the details of which (including the principal factors and reasons that have been taken into consideration by Gram Capital) are set out on pages 48 to 70 of the Circular; and (ii) the letter from the Board as set out on pages 13 to 45 of the Circular.

Having considered the terms of the Rights Issue, the Set-Off and the Whitewash Waiver and the principal factors and reasons considered by and the opinion of Gram Capital as set out in its letter of advice, we consider that the terms of the Rights Issue, the Set-Off and the Whitewash Waiver are fair and reasonable as 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 resolutions to approve the Rights Issue, the Set-Off and the Whitewash Waiver at the SGM.

Yours faithfully,
For and on behalf of
the Independent Board Committee



Mr. HUANG Shenglan
*Independent non-executive
Director*

Mr. CHAN Ming Fai
*Independent non-executive
Director*

Mr. CUI Shuming
*Independent non-executive
Director*

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