

11 March 2025

To the Independent Shareholders

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY
SHANGGU SECURITIES LIMITED FOR AND ON BEHALF OF
BEIJING TONG REN TANG (CAYMAN) LIMITED FOR
ALL THE SHARES IN CLSA PREMIUM LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED BY
OR AGREED TO BE ACQUIRED BY
BEIJING TONG REN TANG (CAYMAN) LIMITED
AND/OR PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to the Composite Document dated 11 March 2025 issued jointly by the Company and the Offeror, of which this letter forms part of. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in the Composite Document.

We have been appointed to form the Independent Board Committee to consider the terms of the Offer and to advise you (i.e., the Independent Shareholders) as to, in our opinion, whether or not the terms of the Offer are fair and reasonable and to make recommendation in respect of acceptance of the Offer.

Somerley has been appointed as the Independent Financial Adviser with our approval to make recommendation to us in respect of the terms of Offer and, in particular, whether the terms of the Offer are fair and reasonable and to make recommendation in respect of the acceptance of the Offer. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from the Independent Financial Adviser” on pages 28 to 52 of the Composite Document.

We also wish to draw your attention to the “Letter from Shanggu”, “Letter from the Board” and the additional information set out in the appendices to the Composite Document.

RECOMMENDATION

Having taken into account the Offer and the independent advice from the Independent Financial Adviser, as well as the principal factors and reasons considered in arriving at its recommendation, we concur with the view of the Independent Financial Adviser and consider that the Offer is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Independent Shareholders as a whole. As such, we recommend the Independent Shareholders to accept the Offer.

However, following the Rule 3.7 Announcement dated on 28 January 2025, Share price started to increase and the Shares have been traded above the Offer Price, closing at HK\$0.138 as at the Latest Practicable Date, which is higher than the Offer Price of HK\$0.1229 per Offer Share. Independent Shareholders who intend to realise their investments in the Company in whole or in part by accepting the Offer should monitor the Share price, and if the proceeds of selling in the open market (net of costs) would be higher than the net proceeds receivable under the Offer, such Independent Shareholders should consider selling their Shares in the open market instead of realising their investment by accepting the Offer. Independent Shareholders should also monitor the overall trading volume of the Shares, as they may or may not be able to dispose of their Shares in the market without exerting downward pressure on the Share prices.

Those Independent Shareholders who, after considering the information on the Offeror and their intentions regarding the Group, are attracted by the future prospects of the Group following the close of the Offer, may consider retaining their Shares or tendering less than all their Shares under the Offer.

Notwithstanding our recommendation, the Independent Shareholders are strongly advised that the decision to accept the Offer or to hold your investment in the Shares is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for professional advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the terms and procedures for acceptance of the Offer as detailed in the Composite Document and the accompanying Form of Acceptance.

Yours faithfully,
for and on behalf of the
Independent Board Committee of CLSA Premium Limited

Mr. Wu Jianfeng
Independent Non-executive Director

Ms. Hu Zhaoxia
Independent Non-executive Director

Yours faithfully,
for and on behalf of the
Independent Board Committee of CLSA Premium Limited



Mr. Wu Jianfeng
Independent Non-executive Director



Ms. Hu Zhaoxia
Independent Non-executive Director