



WHEELOCK

Founded 1857

WHEELOCK AND COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 20

Members of the Independent Board Committee:

Mr. Tak Hay Chau, GBS*
Mr. Winston K. W. Leong*
Mr. Alan H. Smith, JP*
Mr. Richard Y. S. Tang, SBS, JP*
Mr. Kenneth W. S. Ting, SBS, JP*
Ms. Nancy S. L. Tse, JP*
Dr. Glenn S. Yee*

Registered Office:

23rd Floor,
Wheellock House,
20 Pedder Street,
Hong Kong

(* Independent Non-executive Directors)

21 May 2020

To the Independent Shareholders and Optionholders

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF
WHEELOCK AND COMPANY LIMITED
BY ADMIRAL POWER HOLDINGS LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 673 OF THE COMPANIES ORDINANCE)
AND
(2) PROPOSED WITHDRAWAL OF LISTING BY
WHEELOCK AND COMPANY LIMITED**

We refer to the document dated 21 May 2020 jointly issued by the Offeror and the Company in relation to the Proposal (the “**Scheme Document**”), of which this letter forms part. Terms defined in the Scheme Document shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to make a recommendation (i) to the Independent Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and whether to vote in favour of the Scheme at the Court Meeting and the General Meeting and (ii) to the Optionholders as to whether the terms of the Option Offer are, or are not, fair and reasonable and whether to accept the Option Offer.

Anglo Chinese, the Independent Financial Adviser, has been appointed with our approval as the independent financial adviser to advise us in connection with the Proposal. The details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the “Letter from the Independent Financial Adviser” section of the Scheme Document.

In the “Letter from the Independent Financial Adviser” section of the Scheme Document, Anglo Chinese states that it considers the terms of the Proposal (including the Scheme and the Option Offer) to be fair and reasonable so far as the Independent Shareholders and the Optionholders are concerned, and advises the Independent Board Committee (i) to recommend the Shareholders, or Independent Shareholders, where applicable, to vote in favour of the relevant resolutions to approve the Proposal and the Scheme; and (ii) to recommend the Optionholders to accept the Option Offer.

The Independent Board Committee, having considered the terms of the Proposal and having taken into account the opinion of Anglo Chinese, and in particular the factors, reasons and recommendations set out in its letter in the “Letter from the Independent Financial Adviser” section of the Scheme Document, considers that, as far as the Independent Shareholders are concerned, the terms of the Proposal are fair and reasonable and as far as the Optionholders are concerned, the terms of the Option Offer are fair and reasonable.

Accordingly, the Independent Board Committee recommends:

- (a) at the Court Meeting, the Independent Shareholders to vote in favour of the resolution to approve the Scheme;
- (b) at the General Meeting, the Shareholders to vote in favour of the special resolution to approve and give effect to the Scheme, including the approval of the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and the issue to the Offeror of such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished; and
- (c) the Optionholders to accept the Option Offer.

The Independent Board Committee draws the attention of the Independent Shareholders and the Optionholders to (i) the “Letter from the Board” section of the Scheme Document; (ii) the “Letter from the Independent Financial Adviser” section of the Scheme Document, which sets out the factors and reasons the Independent Financial Adviser had taken into account in arriving at its recommendation to the Independent Board Committee; and (iii) the “Explanatory Statement” section of the Scheme Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

*Yours faithfully,
The Independent Board Committee*



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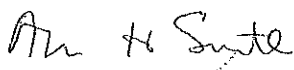
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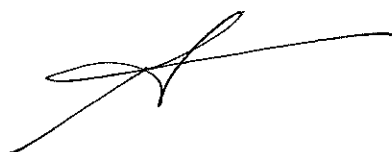
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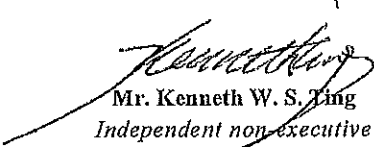
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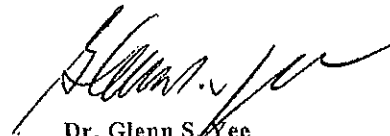
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