



AKM INDUSTRIAL COMPANY LIMITED

安捷利實業有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 1639)

31 May 2022

To the Independent Scheme Shareholders

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF AKM INDUSTRIAL COMPANY LIMITED BY
WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 673 OF THE COMPANIES
ORDINANCE AND
(2) PROPOSED WITHDRAWAL OF LISTING OF THE SHARES OF AKM INDUSTRIAL
COMPANY LIMITED**

We refer to the scheme document dated 31 May 2022 jointly issued by the Joint Offerors and the Company in relation to the Proposal and the Scheme (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 to the Independent Scheme Shareholders in respect of the Proposal and the Scheme, details of which are set out in the “Letter from the Board” and the “Explanatory Statement” of this Scheme Document.

Lego Corporate Finance Limited, the Independent Financial Adviser, has been appointed with the Independent Board Committee's approval, to advise the Independent Board Committee in connection with the Proposal and the Scheme. 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” as set out on pages 38 to 67 of this Scheme Document.

In the “Letter from the Independent Financial Adviser” of this Scheme Document, the Independent Financial Adviser states that it is of the opinion that the terms of the Proposal and the Scheme are fair and reasonable so far as the Independent Scheme Shareholders are concerned and in the interest of the Company and Shareholders as a whole, and recommends the Independent Board Committee to advise (i) the Independent Scheme Shareholders to vote in favour of the resolution to approve the Scheme at the Court Meeting; and (ii) the Shareholders to vote in favour of the resolution(s) in respect of the Scheme at the EGM.

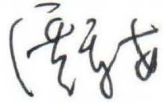
The Independent Board Committee, having considered the terms of the Proposal and the Scheme, and having taken into account the opinion of the Independent Financial Adviser, and in particular the factors, reasons and recommendations set out in its letter, considers that the terms of the Proposal and the Scheme are fair and reasonable so far as the Independent Scheme Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Scheme Shareholders to vote in favour of the Scheme at the Court Meeting and the Shareholders to vote in favour of the resolution(s) in respect of the Scheme at the EGM.

The Independent Board Committee draws the attention of the Independent Scheme Shareholders to (i) the “Letter from the Board” as set out on pages 20 to 35 of this Scheme Document; (ii) the “Letter from the Independent Financial Adviser”, which sets out the factors and reasons taken into account by the Independent Financial Adviser in arriving at its recommendation to the Independent Board Committee, as set out on pages 38 to 67 of this Scheme Document; and (iii) the Explanatory Statement as set out on pages 68 to 101 of this Scheme Document.

Yours faithfully,
The Independent Board Committee



Mr. GAO Xiaoguang
Non-executive Director



Mr. JIA Junan
Non-executive Director

Mr. WANG Chunsheng
Non-executive Director

Mr. HUNG Chi Yuen Andrew
Independent non-executive Director

Mr. CUI Zheng
Independent non-executive Director

Mr. ZHANG Guo Qi
Independent non-executive Director

Yours faithfully,
The Independent Board Committee



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Non-executive Director

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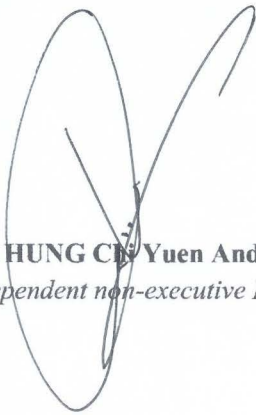
Mr. ZHANG Guo Qi
Independent non-executive Director

Yours faithfully,
The Independent Board Committee

Mr. GAO Xiaoguang
Non-executive Director

Mr. JIA Junan
Non-executive Director

Mr. WANG Chunsheng
Non-executive Director

A handwritten signature in black ink, consisting of a large, stylized loop on the left and a long, sweeping stroke extending to the right.

Mr. HUNG Chi Yuen Andrew
Independent non-executive Director

Mr. CUI Zheng
Independent non-executive Director

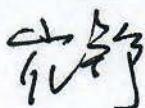
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