THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SAMSON HOLDING LTD., you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

SAMSON HOLDING LTD.

順誠控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00531)

DISCLOSEABLE AND CONNECTED TRANSACTION – DISPOSAL OF SUBSIDIARY AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

建泉融資有限公司

VBG Capital Limited

A notice convening the extraordinary general meeting ("**EGM**") of Samson Holding Ltd. (the "**Company**") to be held at 3F., Conference Room, Lacquer Craft Mfg. Co., Ltd. (Dongguan), Jian She Road, Jin Ju Village, Daling Shan Town, Dongguan City, Guangdong Province, China, on Monday, 6 November 2017 at 11:00 a.m. is set out on pages 36 to 37 of this circular.

Whether or not you intend to attend the EGM, please complete and sign the accompanying form of proxy in accordance with the instructions stated thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 11:00 a.m. on Saturday, 4 November 2017 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and at any adjournment thereon if you so wish. In such event, the form of proxy shall be deemed to be revoked.

* *For identification purposes only*

17 October 2017

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In this circular, the following expressions have the meanings set out below unless the context requires otherwise.

"Auson Group"	Auson Group Holding Limited, a company incorporated in the British Virgin Islands with limited liability
"Board"	the board of Directors
"Company"	Samson Holding Ltd., a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Proposed Disposal
"Consideration"	RMB480 million, being the consideration payable by the Purchaser to the Seller pursuant to the Shares Transfer Agreement
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"EGM"	the extraordinary general meeting of the Company to be held on 6 November 2017
"Group"	the Company and its subsidiaries, and shall not include the Target Company after Completion
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent committee of the Board, comprising all of the independent non-executive Directors, who have no material interest in the Proposed Disposal, namely, Mr. Ming-Jian KUO, Mr. Siu Ki LAU and Mr. Sui-Yu WU

"Independent Financial Adviser" or "VBG"	VBG Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and Independent Shareholders regarding the Shares Transfer Agreement and the Proposed Disposal
"Independent Shareholders"	Shareholders other than those who are required under the Listing Rules to abstain from voting at the EGM
"Jones Lang LaSalle" or "Valuer"	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer
"Latest Practicable Date"	13 October 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contain herein
"LCZJ"	Lacquer Craft Manufacturing Co., Ltd. (Zhejiang), an indirect wholly-owned subsidiary of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Mr. Kuo"	Mr. Shan Huei KUO, an executive Director, the chairman of the Board and Controlling Shareholder
"Ms. Liu"	Ms. Yi-Mei LIU, an executive Director, the deputy chairman of the Board and Controlling Shareholder
"PRC"	the People's Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Proposed Disposal"	the proposed disposal of the Sale Shares pursuant to the terms of the Shares Transfer Agreement
"Purchaser"	New Success (HK) Limited, a company incorporated in Hong Kong with limited liability
"RMB"	Renminbi, the lawful currency of PRC
"Sale Shares"	the entire issued share capital of the Target Company which is owned by the Seller as at the date of this circular

"Seller"	Samson Pacific Company Limited, a company incorporated in the British Virgin Islands, an indirect wholly-owned subsidiary of the Company
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the ordinary shares of US$0.05 each in the share capital of the Company
"Shares Transfer Agreement"	the shares transfer agreement dated 1 September 2017 entered into between the Seller and the Purchaser relating to the Proposed Disposal
"Shareholder(s)"	the registered holder(s) of the Share(s)
"Special Dividend"	the conditional special cash dividend proposed to be declared and paid by the Company to the Shareholders in anticipation that completion of the Proposed Disposal would take place, with the amount per Share to be determined by the Board
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Lacquer Craft Manufacturing Co., Ltd. (Dongguan)* (東莞台升家具有限公司), a company incorporated in the PRC whose entire issued share capital is held by the Seller as at the date of this circular
"US$"	US dollar, the lawful currency of the United States of America
"Valuation Report"	the valuation report dated 17 October 2017 prepared by Jones Lang LaSalle
"%"	per cent.

SAMSON HOLDING LTD.
順誠控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00531)

Chairman & Executive Director:
Mr. Shan Huei KUO

Deputy Chairman & Executive Director:
Ms. Yi-Mei LIU

Executive Director:
Mr. Mohamad AMINOZZAKERI

Non-executive Director:
Mr. Sheng Hsiung PAN

Independent Non-executive Directors:
Mr. Ming-Jian KUO
Mr. Siu Ki LAU
Mr. Sui-Yu WU

Registered Office:
Grand Pavilion
Hibiscus Way
802 West Bay Road
P.O. Box 31119, KY1-1205
Cayman Islands

Principal Place of Business in Hong Kong:
Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

17 October 2017

To the Shareholders

Dear Sir/Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION – DISPOSAL OF SUBSIDIARY

INTRODUCTION

Reference is made to the announcement of the Company dated 1 September 2017, in relation to, among other things, the Shares Transfer Agreement.

On 1 September 2017, the Seller, an indirect wholly-owned subsidiary of the Company, and the Purchaser, whose ultimate shareholders are Mr. Kuo and Ms. Liu, each an executive Director and Controlling Shareholder of the Company, entered into the Shares Transfer Agreement for the sale of the entire issued share capital of the Target Company.

* *For identification purposes only*

The purpose of this circular is to provide with you information regarding the Proposed Disposal. The EGM will be convened to consider, and if thought fit, approving the Shares Transfer Agreement and the transactions contemplated thereunder.

THE DISPOSAL OF SUBSIDIARY

The principal terms of the Shares Transfer Agreement are set out below:

Date:

1 September 2017

Parties:

(1) Samson Pacific Company Limited as Seller; and

(2) New Success (HK) Limited as Purchaser

Asset to be disposed of:

The entire issued share capital in the Target Company.

Consideration:

The consideration payable by the Purchaser shall be RMB480,000,000, which shall be paid in cash by the Purchaser in one instalment. The consideration has been determined after arm's length negotiations between the parties with reference to (i) the amount of the capital contribution of HK$497,340,000, (ii) the net book value (unaudited) of the Target Company as at 31 July 2017 of RMB94,951,000 and (iii) the valuation of the property interest held by the Target Company at RMB455,242,000 as at 31 July 2017, as assessed by Jones Lang LaSalle, a firm of independent property valuers, on a market value basis. Due to the nature of the buildings and structures of the property and the particular location in which it is situated, there are unlikely to be relevant market comparable sales readily available. The property interest has therefore been valued by cost approach with reference to its depreciated replacement cost, details of which are set out in Appendix I to this circular.

The Directors engaged Jones Lang LaSalle because in the Directors' view, they are the leading industry expert with substantial property valuation experience. Based on Jones Lang LaSalle's expertise, they advised the Company that there are unlikely to be relevant market comparable sales readily available, and the property interest has therefore been valued by cost approach with reference to its depreciated replacement cost. After considering the advice provided by the Valuer and given their experience and expertise in the industry and the Valuation Report having been reviewed and adopted by VBG, the Directors are of the view that the valuation approach and assumptions for the valuation are fair and reasonable.

Conditions Precedent:

Pursuant to the Shares Transfer Agreement, the completion of the Proposed Disposal is conditional upon the satisfaction of all of the following conditions:

(a) the Shares Transfer Agreement, together with its appendix (if any) shall be approved by the original approving authority of the Target Company;

(b) the Independent Shareholders having approved the Shares Transfer Agreement and the transactions contemplated thereunder at the EGM; and

(c) the Seller and/or the Company obtaining all necessary consents, approvals, clearances and authorisations of any relevant regulatory authorities in Hong Kong (including the Stock Exchange) or other relevant third parties in Hong Kong as required for the transactions contemplated under the Shares Transfer Agreement.

None of the above conditions precedent can be waived by either party and none of the above conditions precedent has been satisfied as at the Latest Practicable Date.

The Shares Transfer Agreement does not provide for a long stop date.

Warranties

Pursuant to the Shares Transfer Agreement, the Seller made, inter alia, the following warranties to the Purchaser:

(a) the Seller is the legal owner of the Sale Shares and has the absolute right of disposition of such shares;

(b) the Seller has not mortgaged, pledged or use the Sale Shares as guarantee;

(c) the Seller shall be responsible for any loss suffered by the Purchaser as a result of a breach of the above warranties; and

(d) the Seller shall, upon completion of the Proposed Disposal, transfer all its rights and obligations in the Target Company to the Purchaser.

Pursuant to the Shares Transfer Agreement, the Purchaser made, inter alia, the following warranties to the Seller:

(a) the Purchaser recognised and acknowledged the articles of association of the Target Company and undertakes to perform its obligations and liabilities; and

(b) any tax liabilities arising out of the transactions contemplated under the Shares Transfer Agreement shall be borne by the Purchaser.

Completion

Completion shall take place on the 15th business day after all the conditions precedent have been fulfilled, or such other date as the parties may agree. The parties intend to proceed to completion as soon as possible after all conditions precedents are fulfilled, including approval of the Independent Shareholders for the Proposed Disposal having been obtained at the EGM, and in any event, no later than 27 November 2017.

FINANCIAL EFFECT OF THE PROPOSED DISPOSAL

Based on the amount of consideration of RMB480 million, being approximately US$72 million, it is currently estimated that the Proposed Disposal will generate a gain of approximately US$70 million, being the premium of the consideration for the Sale Shares over the net assets of the Target Company as at 31 July 2017 for the amount of approximately US$14 million, after deducting the estimated expenses relating to the Proposed Disposal for the amount of approximately US$1 million and the exchange and the other reserves to be released as a result of the Proposed Disposal for the amount of approximately US$13 million. The actual gain/loss from the Proposed Disposal is subject to final audit.

Upon completion of the Proposed Disposal, the Target Company will cease to be a subsidiary of the Company and the financial results of the Target Company will no longer be consolidated into the Group's financial statements.

USE OF PROCEEDS

The Board shall convene a Board meeting on or before 27 October 2017 to consider the declaration of the Special Dividend in the amount of approximately HK$432 million. The Board proposes the payment of not less than HK$0.14 per share, to be distributed to the Shareholders around the end of November 2017, which is approximately 79% of the proceeds from the Proposed Disposal, with the remaining proceeds to be applied as general working capital. The payment of the Special Dividend is conditional upon the Shareholder's approval at the EGM regarding the Proposed Disposal, as well as the Completion having taken place. Further announcement will be made by the Company when Completion have taken place and the details of the record date and closure of register of members of the Company in determining the Shareholder's entitlement to the proposed Special Dividend will be announced therein. Given that the Special Dividend will be paid to the Shareholders on a per share basis, the Board is of the view that it is fair and reasonable and in the best interests of the Company and Shareholders as a whole.

As at 30 June 2017, the net cash balance of the Group was approximately US$58 million, which consisted of cash and cash equivalents of approximately US$79 million, short term bank deposits of approximately US$2 million and held-for-trading investments of approximately US$63 million less the amount of total banks loans of approximately US$86 million. The Directors are of the view that the Group has sufficient net cash balance and therefore the Company does not currently have any fund raising plans to finance the repayment of the banks loans due in 2017.

INFORMATION ABOUT THE PARTIES

Information about the Company and the Group

The Company is the holding company comprising members of the Group. The Group is principally engaged in the manufacturing and wholesaling of furniture. The Group currently operates and owns 6 factories, which included one factory operated by the Target Company (the "**Target Company Factory**") and another factory operated by LCZJ (the "**LCZJ Factory**"). LCZJ Factory was established in 2002, and it is located in Zhejiang, the PRC. It occupies approximately 1 million square meters of land, which is approximately 2.7 times larger than that of the Target Company Factory. It is engaged in the manufacturing and sale of furniture, and specialised in the production of casegoods furniture for bedroom, dining room and living room, which is the same as the Target Company Factory. The financial performance of LCZJ Factory has been positive with a steady increase in revenue over the past 6 years. The other 4 factories currently operated by the Group specialise in products different to those of the Target Company Factory and LCZJ Factory. The 2 factories respectively operated by (i) Craftmaster Furniture, Inc. and (ii) Grand Manor Furniture, Inc. are located in the U.S. and specialise in the production of upholstery; (iii) the factory operated by PT Lacquercraft Industry Indonesia is located in Indonesia and mainly focuses on manufacturing of furniture parts for the Group; and (iv) the factory operated by Trendex Furniture Ind. Co., Ltd. is located in Bangladesh, mainly specialise in chair products.

Except LCZJ Factory and the Target Company Factory, none of the above factories is also operated under original equipment manufacturing ("**OEM**") business model. The current production capacity of LCZJ Factory is approximately 1,200 shipping containers of furniture per month and as it only sells furniture to the Group companies, therefore it does not contribute any revenue to the Group.

Information about the Target Company

The Target Company is a manufacturing company incorporated in the PRC in 1995. The Target Company is engaged in the manufacturing and sale of furniture to the Group companies. The Group has been acquiring manufacturing services and furniture products from the Target Company. The Target Company's assets value to the Group in terms of percentage is 7.6%. As the Target Company only sells furniture to the Group companies, therefore it does not contribute any revenue to the Group.

As at 31 July 2017, the Target Company recorded a net assets position of approximately RMB95 million (unaudited). The Target Company has been incurring a loss over the past 6 years with an increasing trend. The loss before and after taxation and extraordinary items for the two years ended 31 December 2016 were as follows:

	For the year ended 31 December 2015	**For the year ended 31 December 2016**
	RMB' million	*RMB' million*
	(audited)	(audited)
	Approximately	Approximately
Loss before taxation and extraordinary items	30	48
Loss after taxation and extraordinary items	30	48

Information about the Seller

The Seller is an investment holding company and an indirect wholly-owned subsidiary of the Company.

Information about the Purchaser

The Purchaser is an investment company incorporated in Hong Kong.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Target Company has been focusing on OEM business over the years. Since the recession in the U.S. around 2008, there has been a decline in the OEM business of the Group over the years, as a result, there has been an excess in the production capacity of the Target Company Factory. The Target Company Factory has been producing around 200 shipping containers per month in the past 3 years while it can produce approximately 600 shipping containers per month if operates at its full production capacity. It has seen operating loss in the past 6 years due to the increase in production costs as a result of an increase in labour costs and raw material, and a decrease in the number of production orders. Therefore, the management after careful consideration and assessment, decided to shift all the production orders of the Target Company Factory to LCZJ Factory (the "**Production Shift**"). The Production Shift commenced in around 2012 and is expected to be completed upon Completion. Based on (i) the number and skill level of the factory workers hired by LCZJ, (ii) more advanced and efficient plants and equipment are used by LCZJ Factory as compared to the Target Company Factory, and (iii) the technical knowhow owned by LCZJ, and the fact that LCZJ Factory manufactures the same types of products as the Target Company Factory, the Directors are of the view that not only that LCZJ Factory has sufficient capacity and necessary resources and experience to accommodate and support all production orders of the Target Company Factory, the Production Shift will bring benefits to the Group as it would (i) bring one-off gain to the Group; (ii) better utilised the production capacity of LCZJ Factory; and (iii) reduce the fixed cost and operating expenses (including labor, import/export costs and depreciation expenses) incurred by the Group arising from operating the Target Company. The current production capacity of LCZJ Factory is approximately 1,200 shipping containers of furniture per month and the current utilisation rate is approximately 70%, so the remaining unutilised production capacity is sufficient to cover the production orders shifted from the Target Company Factory and the Production Shift would enhance the production capacity of LCZJ Factory. The Company has not considered alternative business development plans on the land held by the Target Company and to the Company's best knowledge upon reasonable enquiries and based on publicly available information, the Company is not aware of any government resumption or land use change proposal for the land held by the Target Company. The Company will continue to carry on its OEM business and currently has no intention to dispose of its existing OEM business because despite there is an overall decreasing trend in the OEM business industry, the Group currently has an existing OEM customer base which provides a stable source of income to the Group.

The estimated costs of the Production Shift is approximately RMB21 million, which is in relation to employee layoff and will be a one-off cost that will be incurred in 2017. No other costs as a result of the Production Shift had been incurred in the past 6 years. The Directors do not consider the Production Shift would cause significant delay in the production and delivery schedule given the reasons as stated above, therefore, the Directors believe that the impact to the Group and the Shareholders is minimal. Based on the foregoing, the Group is of the view that the Proposed Disposal represents a good opportunity for the Group to dispose of a subsidiary with operating loss so as to reduce the loss and financial pressure arising from the Target Company's operations, to further enhance the production capacity of LCZJ Factory, and to enable the Group to operate the LCZJ Factory in a more cost efficient manner, which may lead to an increase in profit for the Group. The Board, after taking into account all of the above factors and the minimal impact caused to the Group given the estimated cost in relation to the Production Shift is not significant, is of the view that the Proposed Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Kuo and Ms. Liu, being the ultimate owners of the Purchaser and each an executive Director and Controlling Shareholder, therefore, did not vote on the Board resolutions in respect of the Shares Transfer Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors has a material interest in the Shares Transfer Agreement and the transactions contemplated thereunder and required to be abstained from voting on the relevant Board resolutions.

The Board (including the independent non-executive Directors whose views are set out on page 12 of this circular having taken into account the opinion and advice obtained from the Independent Financial Adviser) considers that although the Proposed Disposal is not in the ordinary and usual course of business of the Group, the terms and conditions of the Shares Transfer Agreement are on normal commercial terms, which are fair and reasonable in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS OF THE PROPOSED DISPOSAL

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules exceed 5% but all of the applicable percentage ratios do not exceed 25%, the Proposed Disposal contemplated under the Shares Transfer Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements as set out in Chapter 14 of the Listing Rules.

As Mr. Kuo and Ms. Liu, each an executive Director and Controlling Shareholder, hold 100% of interests in Auson Group, which in turn holds 100% of interests in the Purchaser, the Purchaser is a connected person under Chapter 14A of the Listing Rules. Accordingly, the Proposed Disposal also constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

A notice convening the EGM is set out on pages 36 to 37 of this circular. This EGM will be convened for the Independent Shareholders to consider, and if thought fit, to approve the Proposed Disposal and the transactions contemplated thereunder.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the Proposed Disposal and their associates will not vote at the EGM. Advent Group Ltd., a Controlling Shareholder of the Company, whose ultimate shareholders are Mr. Kuo and Ms. Liu, shall abstain from voting at the EGM. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no other Shareholders will be required to abstain from voting on the resolution in respect of the Shares Transfer Agreement and the transactions contemplated thereunder at the EGM.

Form of Proxy

A form of proxy for use at the EGM is enclosed with this circular and published on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.samsonholding.com). Whether or not you intend to attend the EGM, you are requested to complete and sign the form of proxy in accordance with the instructions stated thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the EGM (i.e. not later than 11:00 a.m. on Saturday, 4 November 2017 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

Voting by Poll

Pursuant to the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the ordinary resolution set out in the notice of EGM will be taken by way of poll. An announcement on the results of the poll will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

RECOMMENDATION

The Independent Board Committee, comprising of all the independent non-executive Directors, namely Mr. Ming-Jian Kuo, Mr. Siu Ki Lau and Mr. Sui-Yu Wu, has been formed to advise the Independent Shareholders, and VBG has been appointed as the independent financial adviser to advise both the Independent Board Committee and the Independent Shareholders in respect of the Shares Transfer Agreement and the transactions contemplated thereunder.

Your attention is drawn to the letter from the Independent Board Committee set out on page 13 of this circular and the letter of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 14 to 24 of this circular in connection with the Shares Transfer Agreement and the transactions contemplated thereunder, and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice.

The Board (including the independent non-executive Directors after having taken into account the opinion and advice obtained from the Independent Financial Adviser) considers that the transactions under the Shares Transfer Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the relevant ordinary resolution to be proposed at the EGM.

Your attention is drawn to the additional information set out in the appendices to this circular.

As completion of the Proposed Disposal is subject to fulfillment of certain conditions precedent and may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By order of the Board
Samson Holding Ltd.
Shan Huei KUO
Chairman

SAMSON HOLDING LTD.
順誠控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00531)

17 October 2017

To the Independent Shareholders

DISCLOSEABLE AND CONNECTED TRANSACTION – DISPOSAL OF SUBSIDIARY

Dear Sir or Madam,

We refer to the circular of the Company dated 17 October 2017 (the "**Circular**") to the Shareholders, of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used in this letter.

We have been appointed as members of the Independent Board Committee to advise you as to whether, in our opinion, the terms of the Proposed Disposal are fair and reasonable as far as the Independent Shareholders are concerned. VBG Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Disposal.

Your attention is drawn to the "Letter from the Board" set out on pages 4 to 12 of the Circular which contains, inter alia, information about the terms of the Shares Transfer Agreement, and the "Letter from the Independent Financial Adviser" set out on pages 14 to 24 of the Circular which contains its advice in respect of the Shares Transfer Agreement together with the principal factors taken into consideration in arriving at such.

Having considered the terms of the Shares Transfer Agreement and having taken into account the factors and reasons considered by and the advice of the Independent Financial Adviser as stated in their letter dated 17 October 2017, we consider that (i) although the entering into the Shares Transfer Agreement is not in the ordinary and usual course of business of the Group, it is on normal commercial terms; (ii) the terms of the Shares Transfer Agreement are fair and reasonable so far as the interests of the Independent Shareholders are concerned; and (iii) the entering into of the Shares Transfer Agreement are 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 resolution to be proposed at the EGM to approve the Shares Transfer Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Independent Board Committee
Mr. Ming-Jian KUO **Mr. Siu Ki LAU** **Mr. Sui-Yu WU**
Independent non-executive Directors

* *For identification purposes only*

Set out below is the text of a letter received from VBG Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Shares Transfer Agreement for the purpose of inclusion in this circular.

建泉融資有限公司
VBG Capital Limited

18/F., Prosperity Tower
39 Queen's Road Central
Hong Kong

17 October 2017

To: The independent board committee and
the independent shareholders of Samson Holding Ltd.

Dear Sirs,

**DISCLOSEABLE AND CONNECTED TRANSACTION –
DISPOSAL OF SUBSIDIARY**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to make recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Shares Transfer Agreement, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular dated 17 October 2017 issued by the Company to the Shareholders (the "**Circular**"), of which this letter of advice forms part. Terms used in this letter of advice shall have the same meanings as ascribed to them under the section headed "Definitions" in the Circular unless the context requires otherwise.

On 1 September 2017, the Seller, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Shares Transfer Agreement, pursuant to which the Seller agreed to sell and the Purchaser agreed to purchase, the entire issued share capital of the Target Company for the cash Consideration of RMB480,000,000. Upon Completion, the Target Company will cease to be a subsidiary of the Company.

According to the Letter from the Board, the Proposed Disposal constitutes a discloseable and connected transaction for the Company under Chapters 14 and 14A of the Listing Rules respectively, and is subject to the reporting, announcement and independent shareholders' approval requirements.

The Independent Board Committee comprising Messrs. Ming-Jian Kuo, Siu Ki Lau, Sui-Yu Wu (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Shares Transfer Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the Proposed Disposal is in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolution(s) to approve the Shares Transfer Agreement and the Proposed Disposal at the EGM. We, VBG Capital Limited, have been appointed as the Independent Financial Adviser to make recommendation to the Independent Board Committee and the Independent Shareholders in this regard.

BASIS OF OUR OPINION

In formulating our opinion with regard to the Shares Transfer Agreement, we have relied on the information and facts supplied, opinions expressed and representations made to us by the management of the Group (including but not limited to those contained or referred to in the Circular). We have assumed that the information and facts supplied, opinions expressed and representations made to us by the management of the Group were true, accurate and complete at the time they were made and continue to be true, accurate and complete in all material aspects until the date of the EGM. We have also assumed that all statements of belief, opinions, expectation and intention made by the management of the Group in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Group, its management and/or advisers, which have been provided to us.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, that the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs or future prospects of the Group, the Purchaser, the Seller, the Target Company or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Proposed Disposal. Our opinion is necessarily based on the market, financial, economic and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update, revise or reaffirm this opinion to take into account events occurring after the Latest Practicable Date. Nothing contained in this letter of advice should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

We have not made any independent evaluation or appraisal of the assets and liabilities of the Group or the Target Company, and we have not been furnished with any such evaluation or appraisal, save and except for the Valuation Report prepared by Jones Lang LaSalle, an independent professional valuer. Since we are not experts in the valuation of assets, land and properties, we have relied solely upon the Valuation Report for the estimated market value of the property interests of the Target Company as at 31 July 2017.

Where information in this letter of advice has been extracted from published or otherwise publicly available sources, we have ensured that such information has been correctly and fairly extracted, reproduced or presented from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of such information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Shares Transfer Agreement, we have taken into consideration the following principal factors and reasons:

1. Background of and reasons for the Proposed Disposal

Business overview of the Group

Established in 1995, the Group is a fully vertically-integrated furniture company and ranks top 10 among furniture wholesalers in the United States of America (the "**U.S.**"). The Group's manufacturing base is located in the PRC while it is expanding into other sectors of the furniture industry in order to create a globally-integrated products and services logistics platform. The Group currently markets its furniture products through a portfolio of brand names, namely "Universal Furniture", "Smartstuff by Universal", "Legacy Classic Furniture", "Legacy Classic Kids", "Craftmaster Furniture", "Pennsylvania House" and "LacquerCraft Hospitality", and is licensed with "Paula Deen" and "Wendy Bellissimo" in the U.S.; and "Willis Gambier" in the United Kingdom (the "**UK**").

In May 2016, the Group acquired Grand Manor Furniture Inc. ("**Grand Manor**"), a Lenoir North Carolina U.S. based manufacturer established in the 1960s which specialises in hospitality seating design and manufacturing. The major customers of Grand Manor include Marriott, Hilton, Grand Hyatt and other well-known international hotel chains. Subsequently in February 2017, the Group acquired Baker Interiors Group, LTD. (formerly known as Kohler Interiors Group, LTD.) and its subsidiaries (collectively referred to as "**BIG**"), which owns three global luxury furniture brands, namely, "Baker", "Milling Road" and "McGuire", each with a history of leading design, quality and craftsmanship. BIG sells its products through showrooms in North America, the UK, and France, as well as furniture dealers across the U.S., Europe, Asia and the Middle East. According to the Directors, the acquisition of BIG not only brings in luxury furniture business, which is complementary to the Company's existing business, but also fulfils the Company's strategy to offer a wide range of furniture brands from mid-low-end to ultra-high-end.

Set out below is the consolidated financial information of the Group for the six months ended 30 June 2017 and 2016 and the two years ended 31 December 2016 and 2015 as extracted from the interim report of the Company for the six months ended 30 June 2017 (the "**2017 Interim Report**") and its annual report for the year ended 31 December 2016 (the "**2016 Annual Report**"), respectively:

	For the six months ended 30 June 2017 (unaudited) *US$'000*	For the six months ended 30 June 2016 (unaudited) *US$'000*	For the year ended 31 December 2016 (audited) *US$'000*	For the year ended 31 December 2015 (audited) *US$'000*
Revenue	234,507	215,968	434,050	435,146
Gross profit	81,132	59,730	119,760	118,967
Profit for the period/year	13,590	4,961	6,545	2,841
Gross profit margin	34.6%	27.7%	27.6%	27.3%
Net profit margin	5.8%	2.3%	1.5%	0.7%

The Group derived its entire revenue from manufacturing and sale of furniture products. As depicted from the above table, during the two years ended 31 December 2016, the Group recorded relatively stable revenue and gross profit. With reference to the 2016 Annual Report, the Group's gross profit margin increased slightly from approximately 27.3% in 2015 to approximately 27.6% in 2016 mainly due to better product mix, category expansion and manufacturing efficiency. Moreover, attributable to the decrease of the unfavourable valuation loss on Renminbi and UK Pound Sterling denominated held-for-trading investments and deposits, the Group enjoyed significant jump in net profit and net profit margin of approximately 130.4% and 114.3% in 2016 respectively as compared to those in 2015.

For the six months ended 30 June 2017, the Group recorded an increase in revenue of approximately US$18.5 million or 8.6%. With reference to the 2017 Interim Report, such increase was due to the growth of sales of the mid-to-high end furniture brand of the Group following the successful launch of new products, expansion of non-traditional channels and completion of acquisition of BIG. The Group's gross profit in the first half of 2017 was approximately US$81.1 million, representing a significant jump of approximately 35.8% as compared to that in the corresponding period of the prior year. The Group's gross profit margin for the period also increased from approximately 27.7% to 34.6% as a result of the favourable business mix change, category expansion in high margins business and improving manufacturing efficiency. Moreover, attributable to the increase in high margins business, continued good control in sales and marketing expenses and the on-time non-cash profit from the bargain purchase, the net profit and net profit margin of the Group both rose significantly for the six months ended 30 June 2017 as compared to those for the six months ended 30 June 2016.

Information on the Target Company

As extracted from the Letter from the Board, the Target Company is a manufacturing company incorporated in the PRC in 1995. The Target Company is engaged in the manufacturing and sale of furniture products, and the Group has been acquiring manufacturing services and furniture products from the Target Company. Given the fact that the Target Company only sells furniture products to members of the Group, the Target Company does not contribute any revenue to the Group. According to the Directors, the Target Company's asset value to the Group in terms of percentage is approximately 7.6%. As at the date of the Shares Transfer Agreement, the Target Company was owned as to 100% by the Seller, which is an indirect wholly-owned subsidiary of the Company.

Set out below is the audited financial information of the Target Company for the two years ended 31 December 2016 and 2015 as extracted from the audited financial statements of the Target Company for the year ended 31 December 2016:

	For the year ended 31 December 2016 *RMB'000*	**For the year ended 31 December 2015** *RMB'000*
Revenue	314,797	270,973
Net loss for the year	(48,562)	(30,040)

As at 31 July 2017, the unaudited net asset value of the Target Company was approximately RMB94,951,000.

Reasons for the Proposed Disposal and proposed use of proceeds

As advised by the Directors, the Target Company has been focusing on original equipment manufacturing ("**OEM**") business over the years. Since the recession in the U.S. around 2008, there has been a decline in the OEM business of the Group over the years. As a result, there has been an excess in the production capacity of the factory operated by the Target Company. The factory of the Target Company has been manufacturing approximately 200 shipping containers per month in the past three years while it can manufacture approximately 600 shipping containers per month if operates at its full production capacity. Moreover, due to the increase in production costs as a result of an increase in costs of labour and raw materials and a decrease in the number of production orders, the Target Company has seen operating losses in the past six years despite the overall slight increase in the Group's gross profit margin in 2016 which was mainly due to better product mix, category expansion and manufacturing efficiency. The management after careful consideration and assessment, decided to shift all the production orders of the Target Company to LCZJ (the "**Production Shift**").

In relation to the above, we have requested the Company to provide us with further information regarding the manufacturing operations and OEM business of the Group. Based on the information the Company provided, we noted that the Group currently owns and operates six factories, one being operated by LCZJ and one being operated by the Target Company. The LCZJ factory was established in 2002 and it is located in Jiashan, Zhejiang province, the PRC, occupying land area of approximately one million square meters, which is approximately 2.7 times larger than that of the Target Company. The same as the factory of the Target Company, the LCZJ factory is engaged in the manufacturing and sale of furniture, and specialised in the production of casegoods furniture for bedroom, dining room and living room. The financial performance of the LCZJ factory has been positive with a steady increase in revenue over the past six years. The LCZJ factory is also well equipped with automated storage and retrieval system warehouse, enabling it to improve production efficiency, shorten delivery time and ship approximately 1,200 containers of furniture on a monthly basis. Two of the other factories of the Group are located in the U.S. and specialised in the production of upholstery; the other is located in Indonesia and mainly focuses on manufacturing of furniture parts for the Group; and the remaining is located in Bangladesh and specialised in chair products. Except for the factories operated by LCZJ and the Target Company, none of the above factories are operated under the OEM business model.

As further advised by the Directors upon our enquiry, the Production Shift commenced in around 2012 and is expected to be completed upon Completion. Based on (i) the number and skill level of the factory workers hired by LCZJ; (ii) the more advanced and efficient plants and equipment used by LCZJ; and (iii) the technical knowhow possessed by LCZJ, and the fact that LCZJ manufactures the same types of products as the Target Company, the Directors are of the view that the LCZJ factory has sufficient capacity and necessary resources and experience to accommodate and support all production orders of the Target Company, also the Production Shift will bring benefits to the Group as it would (i) bring one-off gain to the Group; (ii) better utilise the production capacity of the LCZJ factory; and (iii) reduce the fixed costs and operating expenses (including labour, import/export costs and depreciation expenses) incurred by the Group arising from operating the Target Company. The current production capacity of the LCZJ factory of 1,200 shipping containers of furniture per month has only been utilised as to approximately 70%, and the Directors expected that the unutilised production capacity of the LCZJ factory would be sufficient to cover the orders shifted from the Target Company and hence the Production Shift would enhance the production capacity of the LCZJ factory which is under-utilised at present. The Company has not considered alternative business development plans on the land held by the Target Company and to the best of its knowledge upon reasonable enquires and based on publicly available information, the Company is not aware of any government resumption or land use change proposal for the land held by the Target Company. The Company will continue to carry on its OEM business and currently has no intention to dispose of its existing OEM business because despite that there is an overall decreasing trend in the OEM business industry, the Group currently has an existing OEM customer base which provides a stable source of income to the Group.

The estimated total costs of the Production Shift are approximately RMB21 million, which are in relation to employee layoff and will be one-off costs incurred in 2017. No other costs from the Production Shift has been incurred in the past six years. The Directors consider that the Production Shift would neither cause significant delay in the manufacturing and delivery schedule, nor the business and operations of the remaining Group because of the reasons as stated above. Therefore, the Directors believe that the impact of the Production Shift to the Group and the Shareholders is minimal. The Group is of the view that the Proposed Disposal represents a good opportunity for the Group to dispose of a subsidiary with operating loss so as to reduce the loss and financial pressure arising from the Target Company's operations, to further enhance the production capacity of the LCZJ factory, and to enable the Group to operate the LCZJ factory in a more cost efficient manner, which may lead to an increase in profit for the Group.

The Board shall convene a Board meeting on or before 27 October 2017 to consider the declaration of the Special Dividend in the amount of approximately HK$432 million. The Board proposes the payment of not less than HK$0.14 per Share to be distributed to the Shareholders around the end of November 2017, which is approximately 79% of the proceeds from the Proposed Disposal. Payment of the Special Dividend is conditional upon the Independent Shareholders' approval at the EGM regarding the Proposed Disposal, as well as the Completion having taken place. The remaining net proceeds will be applied for general working capital purpose.

Having considered that (i) the Target Company has been suffering from persistent losses; (ii) the Group decided to shift all the production orders of the Target Company to LCZJ, which as advised by the Directors possesses sufficient production capacity, necessary resources and experience to satisfy the Group's future demand for furniture products; (iii) the Directors believe that the Proposed Disposal would not affect the business and operations of the remaining Group; and (iv) the proposed use of the net proceeds from the Proposed Disposal for payment of the Special Dividend would enable the Shareholders to benefit directly from the Proposed Disposal, we concur with the Directors that although the Proposed Disposal is not conducted in the ordinary and usual course of business of the Group, it is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

2. Principal terms of the Shares Transfer Agreement

On 1 September 2017, the Seller, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Shares Transfer Agreement, pursuant to which the Seller agreed to sell and the Purchaser agreed to purchase, the entire issued share capital of the Target Company for the Consideration of RMB480,000,000.

The Consideration

The Consideration shall be settled by the Purchaser in cash in one instalment. We noted from the Valuation Report that the estimated market value of the property interests of the Target Company as at 31 July 2017 was approximately RMB455,242,000 (the "**Valuation**"). Accordingly, the net asset value of the Target Company as adjusted by the Valuation was approximately RMB421,490,000 as at 31 July 2017 (the "**Adjusted NAV**"), and the Consideration represents a premium of approximately 13.9% over the Adjusted NAV.

We have performed the following analyses to assess the fairness and reasonableness of the Consideration:

(i) The Valuation Report

We have reviewed the Valuation Report, sent out an information request list and held a telephone interview with the Valuer to enquire into the methodology adopted for and the basis and assumptions used in the Valuation. As stated in the Valuation Report, the Valuation was carried out on a market value basis. Due to the nature of the buildings and structures of the property (a large scale factory complex purpose-built for the specific production need for owner's self-occupation purpose), and the particular location in which it is situated, relevant market comparable sales of similar factory complexes are unlikely to be readily available. The property interest was thus valued by cost approach with reference to depreciated replacement cost, which is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements, less deduction for physical deterioration and all relevant forms of obsolescence and optimisation. The value of the current cost of replacement (reproduction) of the improvements was made with reference to the construction cost information as available in the market; and the value of the land portion was arrived at with reference to sales evidence as available in the locality given that such information is more open and transparent in the market. As further confirmed by the Valuer, this approach is universally considered as an accepted valuation approach for valuing most forms of real estate and is also consistent with normal market practice. The Valuation is also in compliance with all requirements as stipulated under Chapter 5 and Practice Note 12 of the Listing Rules, the RICS Valuation – Global Standards 2017, the HKIS Valuation Standards together with the International Valuation Standards.

For our due diligence purpose, we have also reviewed and enquired into (i) the terms of engagement of the Valuer with the Company; (ii) the Valuer's qualification and experience in relation to the preparation of the Valuation Report; and (iii) the steps and due diligence measures taken by the Valuer to arrive at the Valuation. From the mandate letter and other relevant information provided by the Valuer and based on our interview with them, we are satisfied with the terms of engagement of the Valuer as well as their qualification and experience for preparation of the Valuation Report. The Valuer also confirmed that they are independent to the Group, the Purchaser, the Seller, the Target Company and their respective associates.

Further details of the basis and assumptions of the Valuation are included in the Valuation Report as contained in Appendix I to the Circular. During our discussion with the Valuer regarding the methodology, basis and assumptions of the Valuation, we have not found any material facts which may lead us to doubt the fairness and reasonableness of the methodology, principal basis and assumptions adopted for or the information used in the Valuation Report. Nevertheless, Shareholders should note that valuation of assets usually involves assumptions and therefore the Valuation may or may not reflect the true market value of the property interests of the Target Company accurately.

(ii) Trading multiples analysis

As for the trading multiples analysis, in view of that the Target Company has been loss-making for the latest financial year, the price to earnings ratio ("**PER**") is inapplicable and thus we only calculated the price to book ratio ("**PBR**"). To perform such analysis, we have searched for companies listed on the Stock Exchange which are engaged in similar line of business as the Target Company, i.e. the manufacturing and sale of furniture products, and derive a majority of their revenue from such principal business (the "**Criteria**").

To the best of our knowledge and endeavour, we found five companies which meet the Criteria (the "**Comparable Companies**") and they are exhaustive. It should be noted that the business operations and prospects of the Target Company are not exactly the same as the Comparable Companies and we have not conducted any in depth investigation into the business operations and prospects of the Comparable Companies. Set out below are our relevant findings:

Company name (Stock code)	**Principal business**	**Year end**	**PBR** *(times)* *(Note 1)*
Hing Lee (HK) Holdings Limited (396)	Design, manufacture, sale and marketing of home furniture products including mainly wood-based furniture, sofa, mattresses and licensing of its own brands and product design.	31 December	1.1
Imperium Group Global Holdings Limited (776)	Manufacturing and sales of stainless steel furnishings and home products and accessories; manufacturing and processing of stainless steel rods and other accessories.	31 December	8.1
Royale Furniture Holdings Limited (1198)	Manufacture and sale of furniture.	31 December	0.7
Morris Holdings Limited (1575)	Manufacturing and sale of sofas sofa covers and other furniture products.	31 December	3.8
Man Wah Holdings Limited (1999)	Production and sales of Recliner Sofas.	31 March	5.2
The Target Company	**Manufacturing and sale of furniture products.**	**31 December**	**5.1** *(Note 2)*

Source: the web-site of the Stock Exchange (www.hkex.com.hk)

Notes:

(1) The PBR is calculated based on the respective closing price of the shares of the Comparable Companies as at 1 September 2017 (being the date of the Shares Transfer Agreement) and their respective net asset value as at 30 June 2017 (for Man Wah Holdings Limited, 31 March 2017) as extracted from their latest published financial information.

(2) The implied PBR for the Proposed Disposal is calculated based on the Consideration and the unaudited net asset value of the Target Company as at 31 July 2017.

As depicted by the above table, the PBRs of the Comparable Companies range from approximately 0.7 times to approximately 8.1 times. We noted that among the Comparable Companies, Imperium Group Global Holdings Limited's PBR is approximately 8.1 times, which may be considered as an outlier. In the event that the PBR of this Comparable Company is excluded, the maximum, minimum and median PBR of the Comparable Companies would be approximately 5.2 times, 0.7 times and 2.4 times respectively. Hence, the implied PBR for the Proposed Disposal of approximately 5.1 times is within the PBR range of the Comparable Companies (excluding Imperium Group Global Holdings Limited).

(iii) Dividend yield analysis

Since the Target Company had not declared any dividend to its shareholders during the year ended 31 December 2016, there is no basis to assess the Consideration based on the historical dividend yield of the Target Company. Consequently, the dividend yield analysis would be impracticable.

Taking into account that (i) the Consideration represents a premium of approximately 13.9% over the Adjusted NAV; and (ii) the implied PBR for the Proposed Disposal is within the PBR range of the Comparable Companies (excluding Imperium Group Global Holdings Limited), we are of the opinion that the Consideration is on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned.

3. Possible financial effects of the Proposed Disposal

As confirmed by the Directors, upon Completion, the Target Company will cease to be a subsidiary of the Company, and the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

Effect on net asset value and gearing

As referred to in the 2017 Interim Report, the Group's unaudited consolidated net asset value was approximately US$372.8 million as at 30 June 2017. The Directors expected that the Proposed Disposal would lead to an increase in the consolidated net asset value of the Group.

As also referred to in the 2017 Interim Report, the Group's gearing level (calculated as total bank borrowings divided by shareholders' equity) was approximately 23.2% as at 30 June 2017. The Directors expected that as the Proposed Disposal would not affect the total bank borrowings of the Group but lead to an increase in its consolidated net asset value, the gearing level of the Group would be reduced upon Completion.

Effect on earnings

As stated under the section headed "Financial effect of the Proposed Disposal" in the Letter from the Board, it is expected that the Group will record a gain of approximately US$70 million from the Proposed Disposal. The actual gain or loss from the Proposed Disposal to be recorded is subject to final audit and may or may not be different given that such estimate is based on the assets and liabilities of the Target Company as at 31 July 2017 which may be different from those on the date of the Completion.

Effect on working capital

As previously mentioned in this letter of advice, the Board intends to apply part of the net proceeds from the Proposed Disposal for payment of the Special Dividend. The remaining net proceeds will be applied for general working capital purpose.

It should be noted that the aforementioned analyses are for illustrative purpose only and do not purport to represent how the financial position of the Group will be upon Completion.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Shares Transfer Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) although the Proposed Disposal is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Shares Transfer Agreement, and we recommend the Independent Shareholders to vote in favour of the resolution(s) in this regard.

Yours faithfully,
For and on behalf of
VBG Capital Limited
Doris Sing
Director

The following is the text of a letter and valuation certificate, prepared by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer for the purpose of incorporation in this circular, in connection with its valuation of the property interest held by the Target Company as at 31 July 2017.

JLL
仲量聯行

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
6/F Three Pacific Place 1 Queen's Road East Hong Kong
tel +852 2846 5000 fax +852 2169 6001
Licence No.: C-030171

17 October 2017

The Board of Directors
Samson Holding Ltd.

Dear Sirs,

In accordance with your instructions to value the property interest held by Lacquer Craft Manufacturing Co., Ltd. (Dongguan) (the "Target Company"), a wholly-owned subsidiary of Samson Holding Ltd. (the "Company") in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interest as at 31 July 2017 (the "valuation date").

Our valuation is carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

Due to the nature of the buildings and structures of the property (a large scale factory complex purpose-built for the specific production need for owner's self-occupation purpose), and the particular location in which it is situated, there are unlikely to be relevant market comparable sales of similar factory complexes readily available. The property interest has therefore been valued by cost approach with reference to its depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization." It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimization.

In the valuation of the current cost of replacement (reproduction) of the improvements, we have made reference to the construction cost information as available in the market. In arriving at the value of the land portion, reference has been made to the sales evidence as available in the locality.

The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business. In our valuation, it applies to the whole of the complex or development as a unique interest, and no piecemeal transaction of the complex or development is assumed.

Our valuation has been made on the assumption that the seller sells the property interest in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the property interest.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interest valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

In valuing the property interest, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation – Global Standards 2017 published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of various title documents including Real Estate Title Certificates and other official plans relating to the property interest and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interest in the PRC and any material encumbrance that might be attached to the property interest or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal adviser Commerce & Finance Law Offices, concerning the validity of the property interest in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the property. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the property was carried out in August 2017 by Mr. Legend Zhan and Ms. Anna Liang. They have 2 to 5 years' experience in the valuation of property in the PRC and possess academic background in subjects relating to real estate valuation.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuation certificate is attached below for your attention.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited

Eddie T.W. Yiu
MRICS MHKIS RPS (GP)
Director

Notes: Eddie T.W. Yiu is a Chartered Surveyor who has 23 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2017 *RMB*
3 parcels of land and 23 industrial buildings and various structures located at Jianshe Road Jinju Village Daling Shan Town Dongguan City Guangdong Province The PRC	The property comprises 3 parcels of land with a total site area of approximately 369,514.34 sq.m. and 23 buildings and various structures erected thereon which were completed in various stages between 2005 and 2006.	As at the valuation date, the property was occupied by the Group for production, warehouse, office, dormitory and ancillary purposes.	455,242,000 (Please refer to note 3)

The property is located at the northern side of Jianshe Road, Jinju Village, Daling Shan Town. The subject area of the property is well-served by public transportation. It is within 30 minutes' driving distance to Humen Railway Station. The locality of the property is an industrial area with some large-scale factory complexes.

The buildings have a total gross floor area of approximately 223,049.75 sq.m. and the details of uses and their respective gross floor area are set out as follows:

Use	**No. of Item**	**Gross floor Area** *(sq.m.)*
Production	5	109,470.08
Warehouse	3	64,922.10
Office	1	7,897.76
Dormitory	4	31,764.41
Ancillary	10	8,995.40
Total	**23**	**223,049.75**

The structures mainly include plant area, roads, walls, sport yard and landscaped facilities.

The land use rights of the property have been granted for terms of 50 years expiring on 29 May 2055 and 29 April 2055 for industrial use.

Notes:

1. Pursuant to 3 State-owned Land Use Rights Certificates, the land use rights of 3 parcels of land with a total site area of approximately 369,514.34 sq.m. have been granted to Lacquer Craft Manufacturing Co., Ltd. (Dongguan) ("Lacquer Craft (Dongguan)"), a wholly owned subsidiary of the Company, for terms of 50 years expiring on 29 May 2055 and 29 April 2055 for industrial use. The details are set out as follows:

No.	**Certificate No.**	**Site Area** *(sq.m.)*	**Expiry Date**
(1)	Dong Fu Guo Yong (2005) Di Te No. 751	268,181.04	29 May 2055
(2)	Dong Fu Guo Yong (2005) Di Te No. 768	50,643.00	29 April 2055
(3)	Dong Fu Guo Yong (2005) Di Te No. 767	50,690.30	29 April 2055
	Total:	**369,514.34**	

2. Pursuant to 13 Real Estate Title Certificates, the property with a total gross floor area of approximately 172,749.15 sq.m. are owned by Lacquer Craft (Dongguan). The relevant land use rights of the property have been granted to Laquer Craft (Dongguan) for a term of 50 years expiring on 29 May 2055 for industrial use. The details are set out as follows:

No.	**Certificate No.**	**Gross Floor Area** *(sq.m.)*	**Usage**
(1)	Yue Fang Di Zheng Zi Di No. C2888954	16,068.80	Industrial
(2)	Yue Fang Di Zheng Zi Di No. C2888953	26,816.55	Industrial
(3)	Yue Fang Di Zheng Zi Di No. C2888955	9,339.26	Industrial
(4)	Yue Fang Di Zheng Zi Di No. C2888956	7,897.76	Industrial
(5)	Yue Fang Di Zheng Zi Di No. C2888957	30,333.30	Industrial
(6)	Yue Fang Di Zheng Zi Di No. C2888958	12,000.00	Industrial
(7)	Yue Fang Di Zheng Zi Di No. C2888959	7,768.15	Industrial
(8)	Yue Fang Di Zheng Zi Di No. C2888960	1,800.00	Industrial
(9)	Yue Fang Di Zheng Zi Di No. C2888961	17,998.98	Industrial
(10)	Yue Fang Di Zheng Zi Di No. C2888962	26,816.55	Industrial
(11)	Yue Fang Di Zheng Zi Di No. C2888963	1,252.80	Industrial
(12)	Yue Fang Di Zheng Zi Di No. C2888964	9,339.26	Industrial
(13)	Yue Fang Di Zheng Zi Di No. C2888965	5,317.74	Industrial
	Total:	**172,749.15**	

3. In the valuation of the property, we have attributed no commercial value to the 10 buildings of the property (excluding the land portion) with a total gross floor area of approximately 50,300.60 sq.m. of which the Real Estate Title Certificates have not been obtained. However, for reference purpose, we are of the opinion that the depreciated replacement cost of these buildings (excluding the land portion) as at the valuation date would be RMB48,396,000.

4. According to 2 tenancy agreements, as at the valuation date, portions of the property with a total lettable area of approximately 300 sq.m. were leased to various tenants with expiry dates between 30 September 2017 and 31 March 2018. The total monthly rental is approximately RMB4,500, exclusive of management fees, water and electricity charges.

5. According to a tenancy agreement, as at the valuation date, portions of 3 buildings of the property (including 2 buildings of which the Real Estate Title Certificates have not been obtained) with a total lettable area of approximately 6,630 sq.m. were leased to a tenant with an expiry date at 30 October 2017. The total monthly rental is approximately RMB63,300, exclusive of management fees, water and electricity charges.

6. Our valuation has been made on the following basis and analysis:

   a. For the construction cost of replacement (reproduction) of the improvements of the property, we have identified and analyzed various relevant construction cost data as available in the market from professional quantity surveyor reports and Dongguan Bureau of Housing and Urban-Rural Construction, etc. The construction cost of replacement of the buildings for different purposes ranges from RMB900 to RMB1,200 per sq.m. for production buildings, RMB2,000 to RMB2,400 per sq.m. for office buildings, and RMB900 to RMB1,700 per sq.m. for ancillary buildings.

   b. For the land portion of the property, we have made reference to sales prices of land within the locality which have the similar characteristics comparable to the property. The unit price of these comparable land sites ranges from RMB650 to RMB750 per sq.m. on site area basis for industrial use. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at our assumed unit rate.

7. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Lacquer Craft (Dongguan) is legally and validly in possession of the land use rights of the property, and is entitled to occupy, use, transfer, lease, mortgage or otherwise dispose of the land parcels of the property according to relevant laws and regulations;

   b. Lacquer Craft (Dongguan) is legally and validly in possession of the ownership of the buildings mentioned in note 2, and is entitled to occupy, use, transfer, lease, mortgage or otherwise dispose of these buildings of the property according to relevant laws and regulations;

   c. For the buildings mentioned in note 3, Lacquer Craft (Dongguan) has not obtained any Real Estate Title Certificates, there will be legal risk for Lacquer Craft (Dongguan) to occupy, use, transfer, lease, mortgage or otherwise dispose of the buildings;

   d. The tenancy agreements mentioned in note 4 are legally binding, valid and enforceable; and

   e. For the tenancy agreement mentioned in note 5, the terms related to the portion of the property of which the Real Estate Title Certificates have been obtained are legally binding, valid and enforceable. However, there will be legal risk for Lacquer Craft (Dongguan) to lease the portion of the property of which the Real Estate Title Certificates have not been obtained.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

2. DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at the Latest Practicable Date, the Directors and the chief executive of the Company and their respective associates had the following interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, including interest and short positions which the Directors and the chief executive of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Name of directors	Capacity	Number of issued ordinary shares/underlying shares held (Long positions)	Percentage of the issued share capital of the Company
Mr. Kuo	Held by controlled corporations *(Note 1)*	2,146,346,773	70.52%
Ms. Liu	Held by controlled corporations *(Note 1)*	2,146,346,773	70.52%
Mr. Mohamad Aminozzakeri	Beneficial owner	10,000,000 *(Note 2)*	0.33%

Note 1: The 2,146,346,773 shares were held by Advent Group Limited ("Advent").

Mr. Kuo and Ms. Liu each holds 50% of the equity interest in Magnificent Capital Holding Limited which owns approximately 70% of the issued share capital of Advent. Mr. Kuo and Ms. Liu are husband and wife. Therefore, Mr. Kuo and Ms. Liu are deemed to be interested in the shares of the Company which are owned by Advent.

Note 2: Share options granted under the share option scheme adopted by the Company on 18 May 2016.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the share option scheme adopted by the Company on 18 May 2016, at no time was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and the chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

So far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, the persons or corporations (other than Director or chief executive of the Company) who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of substantial shareholders	Capacity	Number of issued ordinary shares held (Long positions)	Percentage of the issued share capital of the Company
Magnificent Capital Holding Limited	Held by a controlled corporation	2,146,346,773	70.52%
Advent Group Limited ("Advent")	Beneficial owner *(Note)*	2,146,346,773	70.52%

Note: Mr. Kuo and Ms. Liu each holds 50% of the equity interest in Magnificent Capital Holding Limited which owns approximately 70% of the issued share capital of Advent. Mr. Kuo and Ms. Liu are husband and wife. Therefore, Mr. Kuo and Ms. Liu are deemed to be interested in the shares of the Company which are owned by Advent. Mr. Kuo and Ms. Liu are also the directors of Advent and Magnificent Capital Holding Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the shares and underlying shares of the Company which would require to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

3. FURTHER INFORMATION CONCERNING DIRECTORS

(a) Directors' service contracts

As at the Latest Practicable Date, none of the Directors had entered, or was proposing to enter, into any service contract with any member of the Group (excluding contracts expiring or determinable by such member of the Group within one year without payment of compensation (other than statutory compensation)).

(b) Directors' interest in competing business

As at the Latest Practicable Date, none of the Directors or their respective associate is or was interested in any business, apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business.

(c) Directors' interests in assets

None of the Directors had any direct or indirect interests in any assets which had been acquired, disposed of or leased to any member of the Group or proposed to be so acquired, disposed of or leased since 31 December 2016, being the date to which the latest published audited accounts of the Company were made up, and up to the Latest Practicable Date.

(d) Directors' interests in contracts

There is no other contract or arrangement subsisting at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial position or trading position of the Company since 31 December 2016, the date to which the latest audited financial statements of the Company were made up.

5. LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any member of the Group.

6. EXPERTS

The following is the qualification of the expert or professional adviser who has given opinion or advice contained in this circular:

Name	Qualification
VBG	a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Jones Lang LaSalle	Independent Property Valuer

Each of VBG and Jones Lang LaSalle has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, each of VBG and Jones Lang LaSalle:

(a) does not have any shareholding in or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company; and

(b) was not interested, directly or indirectly, in any assets which have been acquired or disposed of by or leased to the Company since 31 December 2016, being the date to which the latest published audited accounts of the Company were made up.

7. GENERAL

(a) The registered office of the Company is at Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands.

(b) The principal place of business of the Company in Hong Kong is Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(c) The Company's Hong Kong branch share registrar and transfer office is Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(d) The company secretary of the Company is Ms. Pik Yuk CHENG, also known as Patsy Cheng, who is a Corporate Services Director of Tricor Services Limited and a Chartered Secretary and a Fellow of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the below documents will be available for inspection during normal business hours from 9:00 a.m. to 5:30 p.m. at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong from the date of this circular up to and including the EGM date:

(a) the Shares Transfer Agreement;

(b) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages 13 of this circular;

(c) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages 14 to 24 of this circular;

(d) the property valuation report by Jones Lang LaSalle as set out in Appendix I to this circular; and

(e) the written consent letters from VBG and Jones Lang LaSalle referred to in paragraph 6 of this appendix.

SAMSON HOLDING LTD.
順誠控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00531)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of Samson Holding Ltd. (the "**Company**") will be held at 3F., Conference Room, Lacquer Craft Mfg. Co., Ltd. (Dongguan), Jian She Road, Jin Ju Village, Daling Shan Town, Dongguan City, Guangdong Province, China on Monday, 6 November 2017 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments the following ordinary resolution (the "**Resolution**"):

ORDINARY RESOLUTION

1. "**THAT**:

   (a) the Shares Transfer Agreement (as defined in the circular of the Company dated 17 October 2017) (the "**Circular**") and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

   (b) any director of the Company be and is hereby authorised, for and on behalf of the Company, to execute all documents, instruments and agreements to take all steps necessary or expedient to implement and/or give effect to any matters relating to the Shares Transfer Agreement and the transactions contemplated thereunder."

By order of the Board
Samson Holding Ltd.
Shan Huei KUO
Chairman

17 October 2017

Notes:

1. All resolutions at the Meeting will be taken by poll (except where the chairman decides to allow a resolution relating purely to a procedural or administrative matter to be voted by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

2. A member of the Company entitled to attend and vote at the Meeting may appoint one or more proxies to attend and, in case of poll, vote in his stead. A proxy need not be a member of the Company.

* *For identification purposes only*

3. Where there are joint registered holders of any Share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of the relevant joint holding.

4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy thereof must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting (i.e. not later than 11:00 a.m. on Saturday, 4 November 2017 (Hong Kong time)) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and at any adjournment thereof, and in such event, the form of proxy shall be deemed to be revoked.

5. For determining the qualification as members of the Company to attend and vote at the Meeting, the register of members will be closed from Wednesday, 1 November 2017 to Monday, 6 November 2017, both days inclusive, during which period no transfers of shares will be registered. In order to qualify as members to attend and vote at the Meeting, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 31 October 2017.

6. Shareholders who have a material interest in the Proposed Disposal (as defined in the circular of the Company dated 17 October 2017), including the shareholders of the Purchaser (as defined in the circular of the Company dated 17 October 2017), and their respective associates are required to abstain from voting on the ordinary resolution at the Meeting.

As at the date of this notice, Mr. Shan Huei KUO (Chairman), Ms. Yi-Mei LIU and Mr. Mohamad AMINOZZAKERI are the executive directors of the Company; Mr. Sheng Hsiung PAN is the non-executive director of the Company; and Mr. Ming-Jian KUO, Mr. Siu Ki LAU and Mr. Sui-Yu WU are the independent non-executive directors of the Company.