



Grace Wine Holdings Limited
怡園酒業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8146)

3 February 2026

To the Independent Shareholders and Optionholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
SOMERLEY CAPITAL LIMITED AND EDDID CAPITAL LIMITED
FOR AND ON BEHALF OF HILL VALLEY INVESTMENT CO LTD
TO ACQUIRE ALL THE ISSUED SHARES OF
GRACE WINE HOLDINGS LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY
HILL VALLEY INVESTMENT CO LTD) AND TO CANCEL
ALL THE OUTSTANDING SHARE OPTIONS OF
GRACE WINE HOLDINGS LIMITED**

We refer to the composite offer and response document dated 3 February 2026 jointly issued by the Offeror and the Company (the “**Composite Document**”), of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Board to constitute the Independent Board Committee to consider the terms of the Offers and to advise you as to whether, in our opinion, the terms of the Offers are fair and reasonable and as to the acceptance of the Offers. Red Sun Capital has been appointed, with our approval, as the Independent Financial Adviser to advise us in this respect. Details of its advice and the principal factors taken into consideration in arriving at its recommendation are set out in the “Letter from the Independent Financial Adviser” on pages 41 to 63 of this Composite Document.

We also wish to draw your attention to the “Letter from the Board”, the “Letter from the Joint Financial Advisers” and the additional information set out in the Appendices to this Composite Document.

Taking into account the terms of the Offers and the advice from Red Sun Capital, we consider that the Offers are not fair and reasonable so far as the Independent Shareholders are concerned and recommend the Independent Shareholders not to accept the Offers.

The Independent Shareholders and the Optionholders (for the Optionholders, if they opt to exercise their rights under the Share Options to subscribe for the new Shares) are reminded that if they consider retaining their Shares or tendering less than all their Shares under the Share Offer should carefully consider the potential difficulties they may encounter in disposing their investments in the Shares after the close of the Share Offer in view of the historical low liquidity of the Shares and there is no guarantee that the prevailing level of the Share price will sustain during and after the Offer Period. The Optionholders are also reminded that in accordance with the Share Option Scheme, the Share Options will lapse automatically (to the extent not exercised) upon the close of the Offers as detailed in the paragraph headed “9. VALIDITY OF THE SHARE OPTIONS UPON CLOSE OF THE OFFERS” set out in the Appendix I to the Composite Document.

Those Independent Shareholders and Optionholders (for the Optionholders, if they opt to exercise their rights under the Share Options to subscribe for the new Shares) who intend to accept the Share Offers are reminded to closely monitor the market price and the liquidity of the Shares during the period when the Offers remains open for acceptance and should consider selling their Shares in the open market, instead of accepting the Share Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Share Offer after having regard to the market price and the liquidity of the Shares.

As each individual Independent Shareholder and the Optionholders would have different investment objectives and/or circumstances, we recommend any Independent Shareholders and the Optionholders who may require advice in relation to any aspect of the Offers and/or the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, they should carefully read the procedures for accepting the Offers as set out in the Composite Document, its appendices and the accompanying Form of Acceptance.

Your faithfully,
For and on behalf of the
Independent Board Committee of
Grace Wine Holdings Limited



Mr. Chow Christer Ho

Non-executive Directors

Dr. Cheung Chai Hong

**Mr. James Douglas
Richard Field**

**Mr. Chan Tsz King
Vincent**
Independent non-executive Directors

**Mr. Kong Chi Hang
Maurice**

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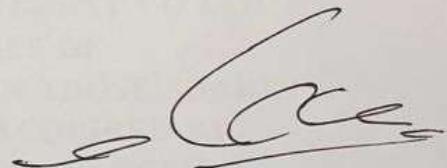
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