

30 November 2020

To the Optionholders

Dear Sir or Madam,

**OPTION OFFER IN RELATION TO
PROPOSAL FOR THE PRIVATISATION OF
CIMC-TIANDA HOLDINGS COMPANY LIMITED BY
THE JOINT OFFERORS BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

A scheme document dated the same date as this letter issued jointly by the Joint Offerors and the Company (the “**Scheme Document**”) and a form of acceptance (the “**Form of Option Offer Acceptance**”) are provided to you together with this letter. Terms used but not defined in this letter shall have the same meanings as defined in the Scheme Document. This letter should be read in conjunction with the Scheme Document.

On 4 October 2020, the Joint Offerors and the Company jointly announced that on the same date, the Joint Offerors had requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme. As stated in the Announcement, Sharp Vision will make (or procure to be made on its behalf) an appropriate offer to all the holders of the outstanding Share Options in accordance with Rule 13 of the Takeovers Code (the “**Option Offer**”), conditional upon the Scheme becoming effective.

This letter explains the terms of the Option Offer and the actions you may take in relation to any outstanding Share Options held by you. You are advised to refer to the Scheme Document when considering them.

Your attention is also drawn to the terms and conditions of the documentation under which each of your Share Options was granted (including the terms of the Share Option Scheme).

TERMS OF THE OPTION OFFER

Sharp Vision offers to pay you the Option Offer Price, which represents the nominal amount of HK\$0.00001 per Share Option, for each Share Option that you hold as at the Share Option Record Date.

Pursuant to the terms of the Share Option Scheme:

- (a) if the Scheme has been approved by the necessary number of Shareholders at the Court Meeting and the EGM, holder(s) of Share Options may thereafter (but on or before Thursday, 21 January 2021 (the “**Specified Date**”)) exercise the Share Options (to the extent not already exercised) to its full extent or to the extent specified in the written notice to be issued to the Company regarding the exercise of his or her Share Option; and
- (b) subject to the Scheme becoming effective, the Share Options shall lapse automatically and not be exercisable (to the extent not already exercised) on the Specified Date referred to in paragraph (a) above.

Subject to the Scheme becoming effective, any outstanding Share Options, to the extent not exercised, will lapse automatically on the Specified Date and will no longer be exercisable as from such time pursuant to the terms of the Share Option Scheme.

In consideration for Sharp Vision’s agreement to pay you the cash consideration set out above (as applicable to your holdings of Share Options), all rights and obligations under your Share Options will be immediately cancelled by Sharp Vision and the Company upon your acceptance.

Conditions of the Option Offer and close of the Option Offer

The Option Offer is conditional upon the Scheme becoming effective. The Option Offer will become unconditional immediately upon the Scheme becoming effective and prior to the listing of the Shares being withdrawn from the Stock Exchange. The Option Offer will close at 4:00 p.m. on the date the Scheme becomes effective (i.e. expected to be Thursday, 21 January 2021).

The Conditions of the Proposal and the Scheme are set out in the section headed “3. Conditions of the Proposal” in “Part VII – Explanatory Memorandum” of the Scheme Document. You are further advised to refer to the sections headed “10. Overseas Shareholders and Optionholders” and “20. Registration and Payment” in “Part VII – Explanatory Memorandum” of the Scheme Document.

Payments under the Option Offer

Cheques for payment of the Option Offer Price payable under the Option Offer are expected to be despatched as soon as possible but in any event within seven Business Days following the Effective Date. Your cash entitlements under the Option Offer will, notwithstanding the lapse of the Share Options on the Specified Date upon the Scheme becoming effective, continue to be subject to the conditions to entitlement under the existing terms of your Share Options up until the Share Option Record Date, including the requirement to remain in employment or service of the Group and other terms of the Share Option Scheme.

It is emphasised that none of the Joint Offerors, the Company, the Joint Financial Advisers and their agents or any of their respective directors, officers or associates or any other person involved in the Scheme or the Option Offer accepts responsibility or has any liability for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Scheme or the Option Offer. All Scheme Shareholders, Beneficial Owners and/or Optionholders are recommended to consult their professional advisers if in any doubt as to the taxation implications of the Proposal and they shall be solely responsible for their liabilities (including tax liabilities) in relation to the Scheme and/or the Option Offer.

COURSES OF ACTION AVAILABLE TO OPTIONHOLDERS

The Option Offer shall be available to you in respect of all Share Options that you hold as at the Share Option Record Date (expected to be Thursday, 21 January 2021) and for which you (or your nominee) have not been registered as the holder of the underlying Shares as at the Scheme Record Date (expected to be Thursday, 21 January 2021). The choices available to you in respect of your Share Options are set out below.

(A) Accept the Option Offer

You may choose to accept the Option Offer on the terms (including all declarations and undertakings) as set out in this letter and the enclosed Form of Option Offer Acceptance, by ticking the "Accept" box on the Form of Option Offer Acceptance and signing, completing and returning it in accordance with the instructions set out below by not later than 4:00 p.m. on Thursday, 21 January 2021 (or such later time and/or date as may be notified to you through announcement(s)). Such acceptance of the Option Offer will be in respect of all Share Options held by you as at the Share Option Record Date, and you will receive the Option Offer Price for all the relevant Share Options if the Scheme becomes effective.

(B) Reject the Option Offer

If you choose to reject the Option Offer, please tick the “Reject” box on the enclosed Form of Option Offer Acceptance and sign, complete and return it in accordance with the instructions set out below. Such rejection of the Option Offer will be in respect of all Share Options held by you as at the Share Option Record Date.

Pursuant to the terms of the Share Option Scheme, subject to the Scheme becoming effective, any outstanding Share Options, to the extent not exercised, will lapse automatically on the Specified Date and will no longer be exercisable as from such time.

If you reject the Option Offer, you will not be entitled to receive the cash consideration offered in respect of any of your Share Options.

Following receipt of this letter, if you (i) reject the Option Offer; (ii) choose to do nothing (including not returning a Form of Option Offer Acceptance), (iii) fail to tick either an “Accept” or “Reject” box or fail to sign on a returned Form of Option Offer Acceptance, or (iv) fail to return a completed and signed Form of Option Offer Acceptance by no later than 4:00 p.m. on Thursday, 21 January 2021 or such other date and time as may be notified to you by the Joint Offerors or by way of joint announcement by the Joint Offerors and the Company on the website of the Stock Exchange, and the Scheme becomes effective, you will be treated as not having accepted the Option Offer in respect of all Share Options held by you as at the Share Option Record Date, your outstanding Share Options will lapse automatically on the Specified Date and you will receive neither the Option Offer Price nor the Cancellation Price.

HOW TO RETURN THE FORM OF OPTION OFFER ACCEPTANCE

You should return the duly completed and executed Form of Option Offer Acceptance to Sharp Vision, care of CIMC-TianDa Holdings Company Limited at Units A-B, 16/F, China Overseas Building, 139 Hennessy Road, Wan Chai, Hong Kong, for the attention of the Company Secretary of the Company and marked “CIMC-TianDa Holdings Company Limited – Option Offer” by no later than 4:00 p.m. on Thursday, 21 January 2021 (or such other date and time as may be notified to you by the Joint Offerors or by way of joint announcement by the Joint Offerors and the Company on the website of the Stock Exchange).

Before returning the Form of Option Offer Acceptance, please ensure that you have completed and signed the Form of Option Offer Acceptance and that your signature has been witnessed.

No acknowledgment of receipt of the Form of Option Offer Acceptance or any other documents will be given.

LAPSED SHARE OPTIONS

Please note that nothing in this letter or the Scheme Document serves to extend the life of a Share Option which lapses, will lapse, or has already lapsed, under the terms of its grant or the Share Option Scheme. You cannot accept the Option Offer in respect of a Share Option which has lapsed or will have lapsed by the Share Option Record Date.

RECOMMENDATION OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders and the Optionholders set out in Part V of the Scheme Document and the letter from Gram Capital, set out in Part VI of the Scheme Document which contain the recommendation of the Independent Board Committee and of Gram Capital, respectively, in relation to the Proposal, the Scheme, the Option Offer and the Rollover Arrangement.

INDEPENDENT FINANCIAL ADVICE

The information provided in this letter is intended to give you factual details on which to base your decision as to the action you wish to take.

If you are in any doubt as to any aspect of this letter, the Scheme Document, the Form of Option Offer Acceptance or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

DECLARATION

By returning the Form of Option Offer Acceptance, you:

- (a) confirm that you have read, understood and agreed to the terms and conditions of the Option Offer (including, without limitation, those set out in this letter and the Form of Option Offer Acceptance), and that you have received the Scheme Document and this letter;
- (b) warrant and confirm that each Share Option in respect of which you accept the Option Offer is valid and subsisting, free from all liens, charges, mortgages and third party interests of any nature whatsoever and you acknowledge that any option certificate or documents in respect of such Share Option shall become void once that Share Option has been cancelled as a result of your acceptance of the Option Offer pursuant to the Form of Option Offer Acceptance;
- (c) acknowledge that you cease to have any rights or obligations, and waive all rights and claims against any party (including the Joint Offerors and the Company), in respect of such Share Option you hold in respect of which you accept the Option Offer and agree that all rights and obligations under such Share Options will be cancelled;

- (d) confirm that any acceptance of the Option Offer cannot be withdrawn or altered;
- (e) authorise the Company and/or Sharp Vision, jointly and severally, or any director or officer of the Company or Sharp Vision or any agent of such person to do all acts and things and to execute any document as may be necessary or desirable to give effect to or in consequence of your acceptance of the Option Offer, and you hereby undertake to execute any further assurance that may be required in respect of such acceptance; and
- (f) undertake to confirm and ratify any action properly or lawfully taken on your behalf by any attorney or agent appointed by or pursuant to this letter or the Form of Option Offer Acceptance.

GENERAL

All communications, notices, Form of Option Offer Acceptance, cheques, certificates and other documents of any nature to be delivered by or sent to or from Optionholders will be delivered by or sent to or from them, or their designated agents, at their risk, and none of the Joint Offerors or the Company or the Joint Financial Advisers accepts any liability for any loss or any other liabilities whatsoever which may arise as a result. This letter shall be taken as having been received by you within two Business Days of its despatch.

The provisions set out in the Form of Option Offer Acceptance form part of the terms of the Option Offer.

The Option Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.

Due execution of the Form of Option Offer Acceptance in respect of the Option Offer will constitute an authority to Sharp Vision, any director of Sharp Vision, the board of directors of Sharp Vision or their respective agents to complete and execute any document on behalf of the Optionholders and to do any other act, that may be necessary or expedient for the purpose of cancelling, or transferring to Sharp Vision or such person(s) as Sharp Vision shall direct, all rights of the Optionholders in respect of the Share Options which are the subject of such acceptance.

The delivery of the Form of Option Offer Acceptance, duly signed, may, if Sharp Vision determine it appropriate, be as effective as if it were duly completed and received notwithstanding that it is not completed or received strictly in accordance with the instructions set out in the Form of Option Offer Acceptance and this letter, including the date specified for receipt.

By accepting the Option Offer in respect of a particular Share Option, you irrevocably and at your own risk elect to authorise Sharp Vision, the Company and/or such person(s) as Sharp Vision shall direct to send to you or the Company as your agent (depending on your election), or procure the sending to you or the Company as your agent (depending on your election) of, the payment to which you are entitled.

Any acceptance of the Option Offer and the receipt of cash consideration may trigger taxes subject to withholding obligations of Sharp Vision and/or the Company. Cash consideration under the Option Offer may be paid to you net of such applicable taxes, if any. All Optionholders are recommended to consult their professional advisers if in any doubt as to the taxation implications of the Option Offer.

RESPONSIBILITY STATEMENTS

As of the date of this letter, the directors of Expedition Holding are Mr. Han Yong and Mr. Zeng Wei.

As of the date of this letter, the directors of Macao QiXin (the general partner of Macao QiXin One Belt One Road Investment Fund L.P., which is in turn the indirect holding company of Expedition Holding) are Dr. Ai Linzhi, Mr. Pan Genping, Mr. Yu Hailin and Mr. Wang Shugui.

The directors of Expedition Holding and Macao QiXin jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than those relating to Sharp Vision and the Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the Directors or the directors of Sharp Vision) have been arrived at after due and careful consideration and there are no other facts not contained in this letter the omission of which would make any statement in this letter misleading.

As of the date of this letter, the directors of Sharp Vision are Mr. Jin Jianlong, Mr. Wang Yu and Mr. Yu Yuqun.

As of the date of this letter, the board of directors of CIMC (being the indirect holding company of Sharp Vision) comprises Mr. Mai Boliang (chairman) as an executive director; Mr. Hu Xianfu (vice-chairman), Mr. Liu Chong (vice-chairman), Mr. Deng Weidong and Mr. Ming Dong as non-executive directors; Mr. Gao Xiang as an executive director; and Mr. He Jiale, Mr. Pan Zhengqi and Ms. Lui Fung Mei Yee, Mabel as independent non-executive directors.

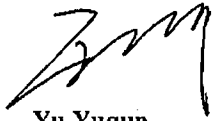
The directors of Sharp Vision and directors of CIMC jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than those relating to Expedition Holding and the Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the Directors or the directors of Expedition Holding) have been arrived at after due and careful consideration and there are no other facts not contained in this letter the omission of which would make any statement in this letter misleading.

As of the date of this letter, the Board comprises Mr. Jiang Xiong and Mr. Zheng Zu Hua as executive Directors; Dr. Li Yin Hui, Mr. Tao Kuan and Mr. Zeng Han as non-executive Directors; and Dr. Loke Yu, Mr. Heng Ja Wei and Mr. Ho Man as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than those relating to the Joint Offerors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the directors of each of the Joint Offerors) have been arrived at after due and careful consideration and there are no other facts not contained in this letter the omission of which would make any statement in this letter misleading.

Yours truly,

By the Order of the board of directors of
Sharp Vision Holdings Limited

By the order of the Board
CIMC-TianDa Holdings Company Limited



Yu Yuqun
Director

Li Yin Hui
Chairman

Yours truly,

By the Order of the board of directors of
Sharp Vision Holdings Limited

By the order of the Board
CIMC-TianDa Holdings Company Limited

Yu Yuqun
Director

A handwritten signature in black ink, consisting of stylized Chinese characters followed by a long horizontal flourish.

Li Yin Hui
Chairman