



## DIGITAL DOMAIN HOLDINGS LIMITED

數字王國集團有限公司

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 547)

26 October 2024

*To the Independent Shareholders*

Dear Sir or Madam,

### CONTINUING CONNECTED TRANSACTIONS UNDER THE DISTRIBUTOR AGREEMENT

We refer to the circular of Digital Domain Holdings Limited dated 26 October 2024 (the “Circular”), of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in relation to the Distributor Agreement and the Continuing Connected Transactions. Ballas Capital Limited has been appointed as the independent financial adviser to advise us and the Independent Shareholders in respect of the Distributor Agreement and the Continuing Connected Transactions. The letter of advice from the Independent Financial Adviser is set out on pages 15 to 29 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 4 to 13 of the Circular and the additional information set out in the appendix to the Circular.

Having taken into account the advice and recommendations of the Independent Financial Adviser, we are of the view that the terms of the Distributor Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are on normal commercial terms, fair and reasonable, and conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution relating to the Distributor Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) to be proposed at the SGM.

Yours faithfully,  
Independent Board Committee

DUAN Xiongfei

LAU Cheong

Elizabeth Monk DALEY

WOO King Hang

*Independent Non-executive Directors*



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