

POWER XINCHEN

新 晨 动 力

Xinchen China Power Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Unit 3303, 33rd Floor, The Henderson

2 Murray Road, Central, Hong Kong

Tel: (852) 2516 6918 Fax: (852) 2516 7318

3 December 2024

To the Independent Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

We refer to the circular issued by the Company to its Shareholders dated 3 December 2024 (the “**Circular**”), of which this letter forms part. Terms defined in the Circular shall bear the same meanings when used herein unless the context requires otherwise.

We have been appointed by the Board as the Independent Board Committee to advise you as to whether, in our opinion, the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Details of the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps are set out in the letter from the Board contained in the Circular. Octal Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps. Details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the letter from the Independent Financial Adviser contained in the Circular.

Having considered the terms of the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps and taking into account the information contained in the Circular and the advice of Octal Capital, we are of the opinion that the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps are fair and reasonable so far as the Independent Shareholders are concerned, on normal commercial terms or better and in the ordinary and usual course of business of the Group and 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 ordinary resolutions to be put forward at the Extraordinary General Meeting to approve the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps.

Yours faithfully,
Independent Board Committee

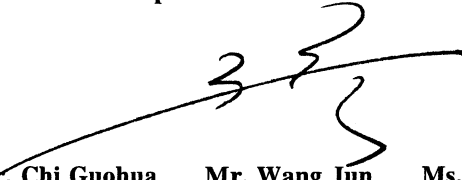


Mr. Chi Guohua Mr. Wang Jun Ms. Dong Yan
Independent non-executive Directors

Having considered the terms of the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps and taking into account the information contained in the Circular and the advice of Octal Capital, we are of the opinion that the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps are fair and reasonable so far as the Independent Shareholders are concerned, on normal commercial terms or better and in the ordinary and usual course of business of the Group and 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 ordinary resolutions to be put forward at the Extraordinary General Meeting to approve the Brilliance China Sale Agreement 2025-2027, the Xinhua Combustion Engine Purchase Agreement 2025-2027, the transactions contemplated thereunder and the Proposed Caps.

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