



Jilin Province Chuncheng Heating Company Limited*

吉林省春城熱力股份有限公司

*(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock code: 1853)*

9 December 2024

To the Independent Shareholders

Dear Sir or Madam

**(1) CONNECTED AND DISCLOSEABLE TRANSACTION:
ACQUISITION OF ASSETS; AND
(2) CONNECTED AND MAJOR TRANSACTION: PROVISION
OF THE LOAN**

We refer to the circular issued by the Company to its Shareholders dated 9 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, (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder, are fair and reasonable so far as the Independent Shareholders are concerned. Details of (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder are set out in the letter from the Board contained in the Circular. Giraffe Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder. 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 each of (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder and taking into account the information contained in the Circular and the advice of the Independent Financial Adviser, we

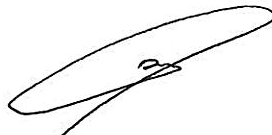
are of the opinion that while each of (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder, are not conducted in the ordinary and usual course of business of the Group, each of (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable 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 EGM to approve each of (a) the Second Assets Transfer Agreement and the transactions contemplated thereunder; and (b) the Loan Agreement and the transactions contemplated thereunder.

Yours faithfully

For and on behalf of the Independent Board Committee



Mr. Fu Yachen
*Independent Non-
executive Director*



Mr. Poon Pok Man
*Independent Non-
executive Director*



Ms. Zhang Yan
*Independent Non-
executive Director*

* *For identification purposes only*