



China Shuifa Singyes Energy Holdings Limited
中國水發興業能源集團有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 750)

9 December 2024

To the Independent Shareholders

Dear Sir or Madam,

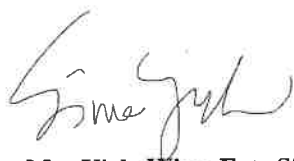
**CONTINUING CONNECTED TRANSACTION IN RELATION TO
ENTERING INTO THE EPC GENERAL CONTRACTING SERVICE
FRAMEWORK AGREEMENT**

We refer to the circular (the “**Circular**”) dated 9 December 2024 issued by the Company of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless specified otherwise.

This independent board committee has been established to advise you on the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder, details of which are set out in the Circular. Donvex Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise us in these regards. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving its advice, are contained in its letter set out on pages 16 to 29 of the Circular. Your attention is also drawn to the letter from the Board and the additional information set out in the Circular.

Having considered the nature of the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder and the advice of the Independent Financial Adviser in relation thereto, we are of the opinion that the EPC General Contracting Service Framework Agreement is entered into in the ordinary and usual course of business of the Group and the terms of the EPC General Contracting Service Framework Agreement are normal commercial terms, which are arrived at after arm's length negotiations between the parties; the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and that the annual caps and the terms of the EPC General Contracting Service Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned. We therefore recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder.

Yours faithfully,
The Independent Board Committee of
China Shuifa Singyes Energy Holdings Limited



Dr. Wang Ching
*Independent Non-executive
Director*

Mr. Yick Wing Fat, Simon
*Independent Non-executive
Director*

Dr. Tan Hongwei
*Independent Non-executive
Director*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the nature of the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder and the advice of the Independent Financial Adviser in relation thereto, we are of the opinion that the EPC General Contracting Service Framework Agreement is entered into in the ordinary and usual course of business of the Group and the terms of the EPC General Contracting Service Framework Agreement are normal commercial terms, which are arrived at after arm's length negotiations between the parties; the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and that the annual caps and the terms of the EPC General Contracting Service Framework Agreement are fair and reasonable so far as the Independent Shareholders are concerned. We therefore recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the EPC General Contracting Service Framework Agreement and the transactions contemplated thereunder.

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