Capital 9 Limited

10 October 2025

*To the Independent Board Committee and the Independent Shareholders of China Technology Industry Group Limited*

Dear Sir/Madam,

## CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF THE OPERATION AND MAINTENANCE SERVICES CONTRACT

### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps, particulars of which are set out in the section headed "Letter from the Board" (the "**Letter from the Board**") contained in the circular of the Company dated 10 October 2025 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to the announcements of the Company dated 25 June 2025 and 26 June 2025. On 25 June 2025, Shaanxi Baike, an indirect wholly-owned subsidiary of the Company entered into the Operation and Maintenance Services Contract with Hebei Fengbei for the provision of the Operation and Maintenance Services by Shaanxi Baike at the Photovoltaic Power Station for a term of three years from 1 July 2025 to 30 June 2028, subject to the approval of the Independent Shareholders being obtained at the EGM.

As at the Latest Practicable Date, Hebei Fengbei is indirectly owned as to 75% by Mr. Huang Yuanming (an executive Director) and the brother of Mr. Huang Bo, Mr. Huang Ming, through an entity which Mr. Huang Yuanming and Mr. Huang Ming ultimately own 80% and 20%, respectively, and is indirectly owned as to 25% by Ms. Zhang Jinhua (an executive Director) through an entity which she ultimately owns 90%. Mr. Huang Yuanming is the son of Mr. Huang Bo (who is a substantial Shareholder of the Company, and an executive Director and the Chairman of the Board), and hence, an associate of Mr. Huang Bo. Each of Mr. Huang Bo and Mr. Huang Yuanming is interested in approximately 18.84% and 7.71% of the total issued share capital of the Company, respectively. Accordingly, Hebei Fengbei is a connected person of the Company under the GEM Listing Rules, and the transactions under the Operation and Maintenance Services Contract constitute continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios (after considering revenue ratio but excluding profits ratio) under Rule 19.07 of the GEM Listing Rules for the Annual Caps under the Operation and Maintenance Services Contract is over 25%, the transactions contemplated thereunder and the Annual Caps are subject to reporting, announcement, annual review requirements and the independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua who held 86,825,934 Shares, 35,548,238 Shares and 12,800,000 Shares, respectively, representing approximately 18.84%, 7.71% and 2.78% respectively of the total issue share capital of the Company as at the Latest Practicable Date will be required to abstain from voting at the EGM, no other Shareholders had a material interest and would be required to abstain from voting at the EGM in respect of the resolutions in relation to the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps. Each of Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua, being executive Directors who have direct or indirect equity interest in Hebei Fengbei, had abstained from voting on the Board resolutions in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps. None of the other Directors have any material interest and was required to abstain from voting on the Board resolutions in relation to the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the independent Shareholders as to (i) whether the terms of the Operation and Maintenance Services Contract and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the continuing connected transactions contemplated thereunder are on normal commercial terms or better, in the ordinary course of business of the Group, and in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the relevant resolutions to be proposed at the EGM after taking into account the recommendation of the Independent Financial adviser. No member of the Independent Board Committee has any material interest in the Operation and Maintenance Services Contract or the transactions contemplated thereunder. As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give independent opinion to the Independent Board Committee for it to advise the Independent Shareholders in this regard.

**BASIS OF OUR OPINION**

In formulating our view and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, among others, (i) the Operation and Maintenance Services Contract; and (ii) the annual report of the Company for the year ended 31 March 2025 (the "**2025 Annual Report**"). We have also relied on (i) the information, facts and representations provided, and the opinions and views expressed, to us by the Company, the Directors and/or the management of the Group, and (ii) the information, facts, representations, opinions and views of the Company, the Directors and/or the management of the Group contained or referred to in the Circular, including but not limited to the Letter from the Board contained therein, all of which have been assumed to be true, accurate and complete at the time they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, view and intention made by the Company, the Directors and/or the management of the Group in the Circular, including but not limited to the Letter from the Board contained therein, were reasonably made after due and careful enquiry and the expectations and intentions made by the Company, the Directors and/or the management of the Group will be met or carried out as the case may be. We consider that we have received and reviewed sufficient information to reach an informed view and have no reason to believe that any material information has been omitted or withheld, or to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company, the Directors and/or the management of the Group. We have been confirmed by the Company that no material facts have been withheld or omitted from the information provided to us, the opinion expressed to us, and/or information or opinion contained or referred to in the Circular.

We have not, however, carried out any independent verification of the information provided by the Company, the Directors and/or the management of the Group, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group, the counter-party to the Operation and Maintenance Services Contract, or any of its respective subsidiaries, controlled entities, jointly controlled entities or associates. We consider that we have performed our duties with impartiality and independence from the Company.

The Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular misleading.

As at the Latest Practicable Date, we were not aware of any relationships between us and, nor any interests held by us in, the Company or the counter-party to the Operation and Maintenance Services Contract that could reasonably be regarded as hindrance to our independence as defined under Rule 17.96 of the GEM Listing Rules to act as the Independent Financial Adviser. In the past two years preceding the Latest Practicable Date, there was no engagement between the Company and us. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exist whereby we had received any fees or benefits from the Company. Accordingly, we are qualified to give independent advice in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps.

## PRINCIPAL REASONS AND FACTORS CONSIDERED

In arriving at our recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Operation and Maintenance Services Contract and the Annual Caps, we have taken into consideration the following principal reasons and factors:

### (1) Background of and reasons for the Operation and Maintenance Services Contract

As stated in the Letter from the Board, the Group is principally engaged in (i) sales of renewable energy products; and (ii) new energy power system integration business and sales of electricity business, in the PRC.

As stated in the 2025 Annual Report, the Group recorded revenue of approximately RMB0.8 million for the year ended 31 March 2025 ("**FY2025**"), as compared with nil revenue recorded for the year ended 31 March 2024 ("**FY2024**"), which was contributed by the segment of new energy power system integration business and sales of electricity business. Nil revenue was recorded by the sales of renewable energy products. Loss attributable to owners of the Company for the year of approximately RMB22.8 million was recorded for FY2025, compared to that of approximately RMB47.2 million for FY2024.

As announced by the Company on 21 June 2024, the Group entered into a contract (the "**EPC Contract**") with a project partner in relation to, among other things, the construction of an energy storage power plant in Sanmenxia, Henan Province, the PRC. This EPC Contract was executed pursuant to a co-operation agreement signed between the Group and the project partner on 22 September 2023. However, as further announced by the Company on 26 June 2025, the construction of power plants, including the aforesaid power plant, was unable to commence as scheduled due to unexpected changes in key personnel of the project partner. After prudent evaluation, the Group has decided to suspend such co-operation agreement.

As stated in the Letter from the Board and further advised by the Company, the Directors considered the Operation and Maintenance Services Contract as an opportunity for the Group to expand its existing new energy power system integration business segment and establish a track record in the Operation and Maintenance Services industry, which will enable the Group to better market itself to other Independent Third Party customers for the provision of such services in the future. Taking into account (i) nil revenue was contributed by the Group's existing principal business in FY2024 and FY2025 apart from the sales of electricity business commencing from the last quarter of FY2025; (ii) a new income instream shall be generated to the Group from the Operation and Maintenance Services business; (iii) it is considered reasonable to expect that third party customers of similar operation and management services may intend to engage a service provider with experience in providing relevant services, we concur with the Directors' view that the Operation and Maintenance Services business is favourable to the Shareholders and may increase the competitiveness of the Group in winning contracts of similar services of independent customers in the future.

As further stated in the Letter from the Board, being an associated company, the Group is familiar with the operation of relevant equipment and facilities of Photovoltaic Power Station with experience in the development, installation, operation, repair and maintenance services of photovoltaic power stations and related equipment arising from the Group's prior hands-on experience in constructing a photovoltaic power station in Hebei. The Group is also familiar with the physical site environment of a photovoltaic power station in Hebei and understands the culture and required service expectation of Hebei Fengbei being a related company. The operation of the Photovoltaic Power Station is highly dependent on the steady and continuous operation of various types of equipment and facilities around the clock, which requires high stability of operation, safety of management and extremely quick emergency responses to repair and maintenance services in respect of equipment and facilities. As such, the relevant operation, repair and maintenance services provided by the Group are conducive to ensuring the stability of the daily operation and service quality of the Photovoltaic Power Station, which helps to maintain the continuity of operation, repair and maintenance business while ensuring the rapid responsiveness and the specialty and high efficiency required for the operation of the Photovoltaic Power Station.

Taking into account (i) the unsatisfactory financial performance of the Group given no revenue contribution by the Group's existing principal business in FY2024 and FY2025 apart from the sales of electricity business commencing from the last quarter of FY2025; (ii) the provision of the Operation and Maintenance Services by the Group represents a new source of revenue for the Group in the coming years; (iii) the potential future business opportunities with Hebei Fengbei or third party customers after the Group's establishing track record of provision of the Operation and Maintenance Services arising from the Operation and Maintenance Services Contract; and (iv) the suspension and uncertainty of business development relating to the EPC Contract and related co-operation agreement and thus no revenue contribution can be expected from it in the foreseeable future to enhance Shareholders value, we concur with the Director's view that the entering into of the Operation and Maintenance Services Contract and the transactions to be contemplated thereunder are in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

**(2) Principal terms of the Operation and Maintenance Services Contract**

***Service fee***

As stated in the Letter from the Board, in accordance with the Group's pricing policy, the annual service fees payable by Hebei Fengbei under the Operation and Maintenance Services Contract (the "**Service Fee**") of RMB6,400,000 were determined based on the scope of the Operation and Maintenance Services, on normal commercial terms after arm's length negotiation between the parties, and a cost-plus methodology, representing the Group's estimated total annual costs plus profit margin of around 20%, and after taking into account the following factors:

(a) the relevant labour costs to be incurred for the provision of various Operation and Maintenance Services. Shaanxi Baike estimated 10 to 15 personnel to render the Operation and Maintenance Services, with roles ranging from unskilled staff, duty officers to production managers. The annual labour costs (mainly comprising wage expenditure of these personnel) are in the range of approximately RMB1.2 million to RMB1.7 million;

(b) all repair and maintenance costs and costs of spare products, spare parts, materials and consumables for the operation as follows:

(i) estimated fixed regular maintenance costs include the costs for fire system inspection, lightning protection detection, weeding at the plant, component cleaning, road maintenance, safety protection and security testing, network fees, vehicle costs based on agreed number of vehicles to be used, security guard, scheduled inspections and pre-testing costs. Prior to entering into the Operation and Maintenance Services Contract, the Group performed cost analysis for these costs based on its collection of cost and other data which included quotations from service providers or related market information retrieved from public source (such as tender results available on major bidding websites indicating costs of certain goods or services required in the provision of maintenance services for a solar power plant) for such services, if relevant, and the estimated usage or frequency of engaging such services to determine the estimated fixed regular maintenance costs. Related market information, such as price trend, if any, may also be retrieved from public source for reference. The Group expects the annual expenditure for around 15 items of the abovementioned maintenance costs based on the agreed frequency of usage ranges from approximately RMB30,000 to RMB450,000, which the Group does not anticipate to have a material fluctuation in the coming three years; and

(ii) estimated annual total variable costs such as the costs of spare products, spare parts, materials and consumables relating to maintenance and repair of various systems will not exceed RMB400,000, which Shaanxi Baike agreed to bear such costs for each incident of an amount not exceeding RMB5,000 if such cost cannot be claimed against relevant suppliers of those procured products within warranty period. Any such cost exceeding RMB5,000 and cannot be claimed against relevant suppliers shall be claimed against relevant insurance regarding the facilities in the Photovoltaic Power Station taken out by Hebei Fengbei or borne by Hebei Fengbei ((a) to (b) above, the "**Operation Cost**"). Prior to entering into the Operation and Maintenance Services Contract, the Group performed cost analysis for different types of materials and consumables required such as ironmongery, tiles, rebar, etc., the collection of cost and other data which includes quotations from suppliers for spare products, spare parts, materials and consumables, related market information retrieved from public source (such as online procurement websites) for such materials and the estimated usage of different types of materials to determine the estimated annual total variable costs. Related market information, such as material price trend, if any, may also be retrieved from public source for reference;

(c) a profit margin (being around 20%) for the provision of the Operation and Maintenance Services by Shaanxi Baike to Hebei Fengbei and taxes;

(d) the annual capacity of the Photovoltaic Power Station of 200MW; and

(e) the prevailing service fee range of similar services offered in the market by other service providers based on tender results available on major bidding websites identified in the first half of 2025 which covered 10 photovoltaic power stations located at various provinces in the PRC with an annual capacity ranging from approximately 20MW to 1,200MW deriving a market range of approximately RMB0.008 per watt to approximately RMB0.05 per watt annually, as well as service fee charged by the Group's related company which provides similar services.

Based on the annual Service fee of RMB6.4 million and the annual capacity of the Photovoltaic Power Station of 200MW of electricity annually when it is operating at full capacity, the unit fee rate is RMB0.032 per watt annually (the "**Unit Fee Rate**"). To assess the fairness and reasonableness of the Unit Fee Rate,

(i) we have discussed with and were advised by the Company that they understood from its management who has operation experience in providing similar operation and management services to photovoltaic power stations that they are not aware of any standard unit fee rate, standard profit margin or any regulatory requirements on those rates for such services, and they believe that such unit fee rate shall be agreed between the relevant service provider and receiver, and such profit margin shall depend on cost control effectiveness of the service provider;

(ii) we have also attempted to find if there is any public information regarding standard or market range of unit fee rate, operation cost (regardless of breakdown of individual items or amount) or profit margin of similar operation and management services based on annual capacity of a photovoltaic power station in the PRC, but was unable to find any of such information;

(iii) given there is no standard unit fee rate as stated in (i) above and the annual Service Fee were determined based on a cost-plus methodology plus a profit margin, we have reviewed a budget (the "**Budget**") prepared by the Company of the expected annual amount of Operation Cost to be incurred, with breakdown of cost listed in (a) and (b) above. Notwithstanding no public information regarding standard or market range of operation cost (regardless of breakdown of individual items or amount) based on annual capacity of a photovoltaic power station in the PRC can be found as stated in (ii) above, we understood from the Company that the items and amount of expected cost stated in the Budget is estimated by the Group taking into account (1) the annual capacity of the Photovoltaic Power Station and scope of work, (2) suppliers' quotations of products etc. required by Shaanxi Baike in providing the Operation and Management Services, and based on its understanding of the operation cost incurred and profit margin achieved by its related company which has experience in providing similar services. Regarding the cost listed in (a) above, we have reviewed a website of recruitment for the recent range of wage level in Hebei province of the labours expected to be required to render the Operation and Maintenance Services, and noted that the wage level of the labours estimated by the Group falls with the aforesaid range generally. Regarding the cost listed in (b) above, we have understood the cost estimation basis and reviewed the market information to which the Group has made reference to (such as tender results available on bidding websites and supply agreements indicating the cost of certain goods or services required in the provision of maintenance services for a solar power plant) to derive the estimated amount of major items. Based on the above, the cost estimation by the Group is considered justifiable;

(iv) we noted from the Budget that the annual Operation Cost can be well covered by the annual Service Fee and a profit margin of over 20% is expected to be generated by Shaanxi Baike, which is noted to be in line with the Group's pricing policy as stated in the Letter from the Board. We noted from the circular of a listed company, namely, CGN New Energy Holdings Co., Ltd. ("**CGN**"), issued in November 2020 that it adopted a "cost-plus" method and charged a management fee representing a 5% profit margin (i.e. lower than the 20% profit margin under the Operation and Management Services Contract) from its connected party for its provision of operation and management services to solar energy power projects;

(v) we have also attempted to identify comparable information in public to see if there is any standard market unit fee rate or range of such services. We have identified ten tender results which were selected based on the criteria that the tender was related to the provision of operation and management services of photovoltaic power stations of any annual capacity in the PRC in recent years from bidding and photovoltaic power-related industry websites, such as Sunshine Procurement Service Platform (a trading platform of state-owned resources run by the PRC government authority), 國際太陽能光伏網, 電力能源招標網. Those tenders cover photovoltaic power stations located at various provinces in the PRC with an annual capacity ranging from approximately 100MW to 2,000MW and the annual service fee of them ranges from approximately RMB0.7 million to RMB6.5 million. We observed from those tender results that their unit fee rate vary. No standard market unit fee rate or range, or direct co-relation between unit fee rate and any specific factor (such as annual capacity of photovoltaic power station), can be identified. The unit fee rate among the aforesaid tender results ranged from approximately RMB0.003 to RMB0.05 per watt annually. We have further attempted to find companies (i) which are listed in Hong Kong and (ii) the business of which cover the provision of such operation and management services to photovoltaic power stations in the PRC to see if the unit fee rate charged by them for such services have been disclosed in their financial information released in public, and can be used for comparison to justify if the Unit Fee Rate is fair and reasonable. Five listed companies (including CGN) can be identified based on the aforesaid selection criteria. However, it is noted that only one of them, namely, GCL New Energy Holdings Limited ("**GCL**"), has disclosed information regarding annual capacity of photovoltaic power stations in the PRC to which it has provided relevant operation and management services and its revenue generated from such services. Based on the financial information published by GCL, it recorded a unit fee rate of approximately RMB0.022 per watt annually in 2024 in average. As stated in the Letter from the Board and further advised by the Company, the Group has made reference to the contracts entered into by its related company (the aforesaid tender results, GCL and the related company, together the "**Comparables**"), which is also a provider of similar operation and maintenance services for photovoltaic power stations in the PRC, with its other customers for assessing if the pricing and payment terms under the Operation and Maintenance Services Contract are no less favourable to the Group than those offered by other service provider. We have also reviewed the aforesaid contracts. We noted that, while the unit fee rate of the Comparables varied, the Unit Fee Rate falls within their range. Hence, we concur with the Directors' view that the Unit Fee Rate is fair and reasonable.

*Payment terms*

The monthly Service Fee shall be billed by Shaanxi Baike to Hebei Fengbei on the 25th day of every month, and shall be paid by Hebei Fengbei no later than 5 days after the beginning of next month.

Taking into account that (i) the Unit Fee Rate falls within the range of unit fee rate among the Comparables, including but not limited to those shown in recent tender results which can be found in public domain as mentioned above; (ii) the annual Service Fee shall be sufficient to cover the annual Operation Cost expected to be incurred by Shaanxi Baike in providing the Operation and Maintenance Services, and a profit is expected to be generated by Shaanxi Baike which is considered to be in the interest of the Company and the Shareholders as a whole given the Group's recent unsatisfactory financial performance, notwithstanding no public information regarding market range of profit margin can be found for comparison (except the 5% profit margin of CGN) to justify the fairness, reasonableness or favorableness with independent third parties, of the expected profit margin of around 20% under the Operation and Maintenance Services Contract; and (iii) the monthly Service Fee shall be settled monthly by Hebei Fengbei, we concur with the Directors' view that the Service Fee and payment terms under the Operation and Maintenance Services Contract are on normal commercial terms, no less favourable to the Group than those offered to Independent Third Party for the provision of the same types of services and thus are fair and reasonable.

**(3) Annual Caps**

The parties have agreed that the aggregate annual transaction amount (after tax) for the continuing connected transactions under the Operation and Maintenance Services Contract shall not exceed the following annual caps:

| For the year ending 31 March | *RMB'000* |
|---|---|
| 2026 ("**Nine-month Period in FY2026**") | 4,800 |
| 2027 ("**FY2027**") | 6,400 |
| 2028 ("**FY2028**") | 6,400 |
| From 1 April 2028 to 30 June 2028 | 1,600 |

As stated in the Letter from the Board, the above Annual Caps were determined based on the agreed service fee as set out in the Operation and Maintenance Services Contract after considering the Group's pricing policy, as stated in the paragraphs headed "(2) Principal terms of the Operation and Maintenance Services Contract – Service fee" above.

The Group has not previously rendered the Operation and Maintenance Services to Hebei Fengbei prior to entering into the Operation and Maintenance Services Contract. As such, the Group has no record of historical transaction amount for the provision of the Operation and Maintenance Services to Hebei Fengbei.

We noted that the Annual Cap for each of FY2027 and FY2028 is the same as the annual Service Fee of RMB6.4 million receivable by the Group as stipulated in the Operation and Maintenance Services Contract. The Annual Cap for each of the Nine-month Period in FY2026 and the three months from April to June 2028 is proportionate to the aforesaid annual Service Fee.

Taking into account (i) the Annual Cap is the same as the annual Service Fee as stipulated in the Operation and Maintenance Services Contract; and (ii) the Annual Cap for each of the Nine-month Period in FY2026, FY2027, FY2028 and the 3-month period from April to June 2028 represents the annual or proportionate amount of the annual Service Fee respectively, we concur with the Directors' view that the determination bases and thus the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned.

**(4) Internal control measures**

As stated in the Letter from the Board, the Group has implemented internal control measures to monitor the pricing standards for the transactions under the Operation and Maintenance Services Contract to ensure that the terms are on normal commercial terms, and ensure that the Annual Caps for the transactions contemplated under the Operation and Maintenance Services Contract will not be exceeded. Those measures mainly include, among others, assessment on the fairness of the transaction terms and pricing terms to ensure they confirm with the Group's pricing policy and comparison of those terms with prevailing service fee range in the market and industry practice, recording of the actual transaction amount to access whether the Annual Caps will be exceeded, and relevant monitoring, reporting, approval and/or reviewing procedures conducted by the senior management of the Group, the Board, audit committee, independent non-executive Directors and/or auditors of the Company respectively.

We have reviewed and noted from the aforesaid measures that the setting of terms (pricing and payment terms particularly) in the Operation and Maintenance Services Contract, the conducting of transactions under the contract and the Annual Caps are/shall be prepared, cross-checked, approved, executed, monitored and/or reviewed by different designated persons or departments of the Group, the Board, audit committee and/or auditors of the Company respectively. We have reviewed the set of documents showing implementation of the aforesaid measures by the Group prior to the entering into the Operation and Maintenance Services Contract as stated in the Letter from the Board, in particular, (i) written report prepared by the Group's project team to the Company Secretary setting out details of the proposed transaction, among others, transaction terms, price and cost estimation with supporting and Annual Caps, and (ii) document showing assessment and review of the proposed transaction terms by the chief financial officer and approval by the Director. Further, we have discussed and were confirmed by the Company that the Group will continue to strictly follow those measures in the future.

Taking into account the above, we concur with the Directors' view that there are adequate and effective measures in place to monitor the transactions contemplated under the Operation and Maintenance Services Contract are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, and the Annual Caps will not be exceeded. As such, the Shareholders' interest shall be safeguarded.

**RECOMMENDATION**

Having considered the principal factors and reasons discussed above, we are of the view that the Operation and Maintenance Services Contract and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms or better, and together with the Annual Caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we recommend, the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Yours faithfully,
For and on behalf of
**Capital 9 Limited**

**Chan Man Yee**
*Director*

*Chan Man Yee is a licensed person and responsible officer of Capital 9 Limited registered with the Securities and Futures Commission to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and has over 15 years of experience in the corporate finance industry.*