

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders prepared for the purpose of inclusion in this Circular.



HUAZHANG TECHNOLOGY HOLDING LIMITED

華章科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1673)

12 January 2024

To the Independent Shareholders

Dear Sir or Madam,

- (1) PROPOSED OPEN OFFER ON THE BASIS OF ONE (1) OPEN OFFER SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE;
(2) CONNECTED TRANSACTION IN RELATION TO THE UNDERWRITING AGREEMENT; AND
(3) WHITEWASH WAIVER

We refer to the circular of the Company dated 12 January 2024 (the “Circular”) of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to whether (i) the Open Offer; (ii) the Underwriting Agreement and the transactions contemplated thereunder; and (iii) the Whitewash Waiver are on normal commercial terms, fair and reasonable, so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders how to vote at the EGM. Lego Corporate Finance Limited has been appointed by us as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. Details of its advice together with the principal factors and reasons it has taken into consideration on giving its advice, are contained in its letter set out on pages 34 to 57 of the Circular. Your attention is also drawn to the letter from the Board and the additional information set out in the appendices to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the principal factors and reasons considered by, and the advice of the Independent Financial Adviser, we considered that (i) the Open Offer (including the transaction contemplated under the Underwriting Agreement) are on normal commercial terms and 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; and (ii) the Whitewash Waiver is to facilitate the implementation of the Open Offer, and therefore the Whitewash Waiver is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of (i) the ordinary resolutions to be proposed at the EGM to approve the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder; and (ii) the special resolution to be proposed at the EGM to approve the Whitewash Waiver.

Yours faithfully

The Independent Board Committee

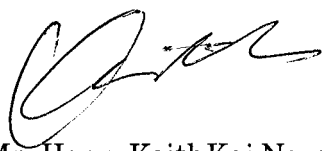
Mr. Heng, Keith Kai Neng

Mr. Yao Yang Yang

Ms. Zhang Dong Fang

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



Mr. Heng, Keith Kai Neng
Independent Non-executive Director

Mr. Yao Yang Yang
Independent Non-executive Director

Ms. Zhang Dong Fang
Independent Non-executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Mr. Heng, Keith Kai Neng
Independent Non-executive Director



Mr. Yao Yang Yang
Independent Non-executive Director

Ms. Zhang Dong Fang
Independent Non-executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Mr. Heng, Keith Kai Neng
Independent Non-executive Director

Mr. Yao Yang Yang
Independent Non-executive Director

A handwritten signature in black ink, consisting of several overlapping loops and lines, positioned above the name of Ms. Zhang Dong Fang.

Ms. Zhang Dong Fang
Independent Non-executive Director