綽耀資本
REDSOLAR

8 December 2025

*To: The Independent Board Committee and the Independent Shareholders of Capinfo Company Limited**

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO RENEWAL OF TECHNIQUE SERVICES FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders regarding the entering into of the Renewal Agreement and the transactions contemplated thereunder (collectively, the "**Transactions**"), details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company dated 8 December 2025 (the "**Circular**"), of which this letter of advice forms part. Unless the context requires otherwise, capitalised terms used in this letter of advice shall have the same meanings as defined in the Circular.

Reference is made to the announcement of the Company dated 31 October 2025 (the "**Announcement**") in relation to, among other things, the Renewal Agreement entered into between the Company and BSAM. In accordance with such agreement, BSAM Group will provide information technology products and services including electronic certification services to the Group from the effective date of the renewed Technique Services Framework Agreement (i.e. 1 January 2026) to 31 December 2028, and the Group will provide information technology products and services including software development services to BSAM Group from the effective date of the renewed Technique Services Framework Agreement (i.e. 1 January 2026) to 31 December 2028.

In particular, pursuant to the Renewal Agreement, the Group has agreed to continue providing software development services, network system establishment and service, network design, website intensification, system integration, technical operation and maintenance, technical consultancy services, cloud services, cloud products, wireless products and related information technology services and products to BSAM Group; and BSAM Group has agreed to continue providing electronic certification, information security, network

* *For identification purpose only*

Red Solar Capital Limited
Unit 402B, 4/F, China Insurance Group Building,
No.141 Des Voeux Road Central, Central, Hong Kong
T: (852) 3590 4603
F: (852) 3590 3851

綽耀資本有限公司
香港中環德輔道中 141 號
中保集團大廈 4 樓 402B 室
電話: (852) 3590 4603
傳真: (852) 3590 3851

security, internet access and other products and services and system development, operation and maintenance services, as well as information technology products and services such as data governance and analysis to the Group.

The fees for the technology products and service to be provided to each other shall not exceed the annual caps for the continuing connected transactions under the Renewal Agreement as contemplated by both parties.

Listing Rules implications

As at the Latest Practicable Date, the Controlling Shareholder of the Company is Beijing Data Group, which directly holds approximately 48.3% interests in the issued share capital of the Company. Beijing Data Group is wholly owned by BSAM, while BSAM indirectly holds approximately 15.0% interests in the issued share capital of the Company through another subsidiary Beijing Industrial Investment, therefore, BSAM is a connected person of the Company under the Listing Rules. Accordingly, pursuant to the Listing Rules, the transactions contemplated under the Renewal Agreement between the Company and BSAM constitute the continuing connected transactions of the Company.

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the annual caps for the service fees to be paid by BSAM Group to the Group under the Renewal Agreement are more than 5%, the transactions under the Renewal Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the annual caps for the service fees to be paid by the Group to BSAM Group under the Renewal Agreement are more than 5%, the transactions under the Renewal Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Company has established the Independent Board Committee, comprising all the independent non-executive Directors, to advise the Independent Shareholders on whether the terms of the Renewal Agreement (including the annual caps in relation thereto) are fair and reasonable so far as the Independent Shareholders are concerned. We, Red Solar Capital Limited, have been appointed by the Company as its Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard and as to voting at the EGM on the matter.

OUR INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, we had acted as the independent financial advisor to the independent board committee and independent shareholders of the Company regarding (i) the continuing connected transactions of the Company in relation to the Capinfo cloud framework agreement; and (ii) the revision of annual caps for the continuing connected transactions of the Company with BSAM Group, details of which are set out in the circular of the Company dated 23 August 2024 (the "**Previous Engagement**"). Under the Previous Engagement, (i) save and except for acting as the independent financial advisor as explained above, no other engagement nor relationship has been formed between us and the Group, the other party(ies) to the transactions contemplated thereof, or close associate or core connected person of any of them; (ii) we did not have any interest in the Group, the other party(ies) to the transactions contemplated thereof, close associate or core connected person of any of them, or any other parties that could reasonably be regarded as relevant to our independence; and (iii) apart from the normal advisory fee payable to us by the Company in connection with our engagement, no arrangement exists whereby we shall receive any other fees or benefits from the Group, the other party(ies) to the transactions contemplated thereof, or close associate or core connected person of any of them.

Save and except for the Previous Engagement which have been explained above, during the past two years immediately preceding the Latest Practicable Date, other than this engagement of us as the Independent Financial Adviser, no other engagement nor relationship has been formed between us and the Group, the other party(ies) to the Transactions, or close associate or core connected person of any of them. As at the Latest Practicable Date, we did not have any interest in the Group, the other party(ies) to the Transactions, close associate or core connected person of any of them, or any other parties that could reasonably be regarded as relevant to our independence. Apart from the normal advisory fee payable to us by the Company in connection with our engagement as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Group, the other party(ies) to the Transactions, or close associate or core connected person of any of them.

Based on the above, we considered that we are independent to act as the Independent Financial Adviser in respect of the Transactions pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group (including but not limited to those contained or referred to in the Announcement and the Circular). We have reviewed documents including but not limited to (i) the Announcement; (ii) the Circular and the Letter from the Board contained therein; (iii) the existing Technique Services Framework Agreement; (iv) the Renewal Agreement; (v) the annual report of the Company for the year ended 31 December 2024 (the "**2024 Annual Report**"); (vi) the interim report of the Company for the six months ended 30 June 2025 (the "**2025 Interim Report**"); and (vii) the relevant supporting documents provided by the Company to formulate our opinion and recommendation. We have assumed that the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group were true, accurate and complete at the time they were made and continue to be true, accurate and complete in all material aspects until the date of the EGM. We have also assumed that all statements of belief, opinions, expectation and intention made by the management of the Company in the Circular were reasonably made after due enquiry and careful consideration. Where applicable, we have also conducted our own desktop search and we are not aware of material deviation between our search results and the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have no reason to suspect that any material fact or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or advisers, which have been provided to us.

We have not, however, conducted any independent in-depth investigation into the business and affairs or future prospects of the Group, or their respective shareholders, subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the market, financial, economic and other conditions in effect and the information made available to us up to the Latest Practicable Date, which could be subject to subsequent developments and changes from time to time. Where information in this letter of advice has been extracted from published or otherwise publicly available sources, we have ensured that such information has been carefully extracted. We have not, however, conducted any independent in-depth investigation nor verification of such information.

The Directors have collectively and individually accepted full responsibility for the Circular and have confirmed, having made all reasonable enquiries, 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. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

Nothing contained in this letter of advice should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion in respect of the Transactions, we have considered the following principal factors and reasons:

1. Background of and reasons for the Transactions

(a) Background information of the Group

The Company is a joint stock limited company established in the PRC on 23 January 1998 with limited liability, which is principally engaged in, inter alia, products and software development and services; industry solutions; and operation and maintenance services, etc. As at the Latest Practicable Date, Beijing Data Group holds approximately 48.3% interests in the issued share capital of the Company, and Beijing Data Group is wholly owned by BSAM.

The following table sets out key consolidated financial information of the Group for each of the two years ended 31 December 2024 ("**FY2023**" and "**FY2024**", respectively) and the six months ended 30 June 2024 and 2025, respectively ("**6M2024**" and "**6M2025**", respectively), as extracted from the 2024 Annual Report and 2025 Interim Report:

	For 6M2025 *RMB* *(unaudited)*	For 6M2024 *RMB* *(unaudited)*	For FY2024 *RMB* *(audited)*	For FY2023 *RMB* *(audited)*
Operating revenue	680,753,944.94	538,129,918.34	1,472,386,521.87	1,425,581,774.41
Operating profit/(loss)	20,579,518.56	(11,517,099.32)	13,386,511.67	(90,420,952.86)
Add: non-operating income	*200.03*	*274,315.92*	*1,258,741.00*	*190,503.97*
Less: non-operating expenses	*755,848.42*	*2,292,002.00*	*9,529,068.33*	*3,766.28*
Total profit/(loss)	19,823,870.17	(13,534,785.40)	5,116,184.34	(90,234,215.17)
Less: income tax expenses	*(348,964.75)*	*(2,281,718.87)*	*11,405,077.21*	*(28,142,161.34)*
Net profit/(loss)	20,172,834.92	(11,253,066.53)	(6,288,892.87)	(62,092,053.83)

	As at 30 June 2025	As at 31 December 2024 *RMB* *(audited)*	As at 31 December 2023 *RMB* *(audited)*
Total current assets	1,417,395,153.63	1,501,357,844.75	1,592,396,274.93
Total non-current assets	855,040,747.40	860,935,525.45	904,427,124.10
Total assets	2,272,435,901.03	2,362,293,370.20	2,496,823,399.03
Total current liabilities	994,257,677.65	1,113,766,488.62	1,261,974,320.08
Total non-current liabilities	64,752,547.34	55,428,322.35	32,036,323.59
Total liabilities	1,059,010,224.99	1,169,194,810.97	1,294,010,643.67
Net assets	1,213,425,676.04	1,193,098,559.23	1,202,812,755.36

Comparison of performance between FY2023 and FY2024

The Group's operating revenue increased by approximately RMB46.80 million, or approximately 3.28%, from approximately RMB1,425.58 million for FY2023 to approximately RMB1,472.39 million for FY2024. According to the 2024 Annual Report, it was mainly attributed to the continued development of the digital economy and deepened integration of digital technology and the real economy in 2024. Artificial intelligence and other technologies have accelerated in popularisation, technological innovation has become the core driver of industry growth, and policy support provides a solid guarantee for the development of the digital economy. While the rapid iteration of technology, data security and privacy protection have set higher standards for industry enterprises, and the industry continues to evolve amidst opportunities and challenges. Amid such market developments, the Group's business contracted growth was favourable, and market expansion has achieved significant results.

The Group turned from an operating loss of approximately RMB90.42 million for FY2023 to an operating profit of approximately RMB13.39 million for FY2024, which could be mainly attributable to (i) the reduction in the Group's administrative expenses and research and development expenses outweighing the increase in the Group's selling expenses for FY2024; (ii) the Group recording an investment income for FY2024 in contrast with an investment loss for FY2023; and (iii) the reduction in the Group's asset impairment losses from approximately RMB71.07 million for FY2023 to approximately RMB5.60 million for FY2024.

Based on the Group's operating profit of approximately RMB13.39 million, adding non-operating income of approximately RMB1.26 million and subtracting non-operating expenses of approximately RMB9.53 million, the Group's total profit amounted to approximately RMB5.12 million for FY2024, as compared to a total loss of approximately RMB90.23 million for FY2023. Taking into account income tax expenses of approximately RMB11.41 million, the Group recorded net loss of approximately RMB6.29 million for FY2024, as compared to a net loss of approximately RMB62.09 million for FY2023.

Comparison of performance between 6M2024 and 6M2025

The Group's operating revenue increased by approximately RMB142.62 million, or approximately 26.50%, from approximately RMB538.13 million for 6M2024 to approximately RMB680.75 million for 6M2025. As set out in the 2025 Interim Report, it was mainly attributable to the further breakthrough in technology R&D commercialisation and the initial effect of business structural optimisation of the Group. The Group has had increasing effort for the development of cloud network and digital intelligence businesses, and achieved significant progress in commercialising its core product. For instance, the Group undertook the operation and maintenance works for Beijing municipal government network and Internet platform. In respect of digital intelligence business, the Group's "Hongdi" Big Model was launched for application in 11 scenarios including domestic computing power adaptation, digitalised medical insurance for human use, support of immediate commencement of business intelligence review upon receipt of complaints, etc. In addition, the Group has also built its "CAPs" product system, with its "Hongteng" office products, "Hongshun" housing provident fund system and officer-grade human resources management digital and intelligent platform achieving commercialisation.

The Group turned from an operating loss of approximately RMB11.52 million for 6M2024 to an operating profit of approximately RMB20.58 million for 6M2025, which could be mainly attributable to (i) the reduction in the Group's selling expenses and research and development expenses outweighing the increase in the Group's administrative expenses for 6M2025; and (ii) the Group recording an investment revenue of approximately RMB40.00 million for 6M2025 in contrast with an investment loss of approximately RMB5.93 million for 6M2024, although being partially offset by the increases in the Group's credit impairment losses and asset impairment losses for 6M2025.

The Group's total profit amounted to approximately RMB19.82 million for 6M2025, as compared to a total loss of approximately RMB13.53 million for 6M2024. The Group recorded net profit of approximately RMB20.17 million for 6M2025, as compared to a net loss of approximately RMB11.25 million for 6M2024.

Comparison of financial positions

The Group's net current assets, being total current assets minus total current liabilities, amounted to approximately RMB330.42 million, RMB387.59 million and RMB423.14 million as at 31 December 2023 and 2024 and 30 June 2025, respectively, exhibiting an gradual growth. The Group's net assets amounted to approximately RMB1,202.81 million, RMB1,193.10 million and RMB1,213.43 million as at the aforesaid dates, respectively. We considered the Group's financial positions healthy over the aforesaid dates.

Prospects

The Company considered 2025 the conclusion year of the Group's "14th Five-Year Plan" strategic plan, as well as the critical year for the implementation of deepening reforms. The Group will continue its endeavour to lay a solid foundation for high-quality development in the "15th Five-Year Plan". The Group will firmly grasp the opportunities provided by the national industrial policies encouraging innovation upgrade, digital transformation, information security and development of data elements, comprehensively enhance its technological capabilities in artificial intelligence, big data and cloud-native distributed framework, continuously optimise its operational efficiency and service quality, adhere to the leading role of innovation and continuously improve the core technology system. The Group will build a sound security defence for government networks, cloud platforms and other infrastructures, and further improve the level of system operation and maintenance protection. The Group will implement the strategy of "industrialisation, productisation and regionalisation", build the "CAPs" product system, strengthen the construction of marketing system, brand driving and ecological construction. Intensify the development of innovative business and strategically lay out data business. The Group will also continue to create new development momentum and new growth engines, promoting leapfrog improvement in business scale and operational efficiency, and injecting strong momentum for sustainable development.

(b) Reasons for and benefits of the Transactions

As set out in the Letter from the Board, BSAM Group has maintained good cooperation relationship with the Group for a long time and with the extensive and in-depth application of internet, cloud computing, and big data technologies, the number of information technology services and product transactions between the Group and BSAM Group has increased. The Board believes that the entering into of the Renewal Agreement will be beneficial to the Group's operation. The Board is also of the view that the services to be provided by BSAM Group to the Group will continue helping the Group to maintain and enhance its network security system, and improve the level of technology and services.

By virtue of her capacity as an employee of BSAM, Ms. Yan Yi, the Company's non-executive Director, is regarded to have a material interest in the Renewal Agreement and the transactions contemplated thereunder, and had abstained from voting on the Board resolutions approving the Renewal Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has any material interest in the Renewal Agreement and the transactions contemplated thereunder.

In assessing the reasons for and benefits of the Transactions, we have the following analysis.

We first noted from the announcement of the Company dated 9 September 2020 that the transactions contemplated under the existing Technique Services Framework Agreement (which is proposed to be renewed by the Renewal Agreement) and its precedents can be traced back to September 2020, since when the Group and BSAM Group have been providing the products and services as set out under the aforesaid agreements to each other. Therefore, we agreed the Board's view that BSAM Group has maintained good cooperation relationship with the Group for a long time.

We have then obtained from the Company and reviewed the contracts between the Group and BSAM Group entered into from 1 January 2023 up to the Latest Practicable Date pursuant to the existing Technique Services Framework Agreement. We noted that the services provided or to be provided by BSAM Group to the Group thereunder could be broadly summarised into a few types: (i) electronic certification products and services; (ii) information security services and products; (iii) network security and other products, system development, operation and maintenance services; and (iv) other technical outsourcing services. We have further enquired the Company and understood that such products and services provided or to be provided by BSAM Group to the Group were generally used in the ordinary and usual course of business of the Group. We have reviewed the 2024 Annual Report and noted that the Group's products and services covered system integration, network system development products and services. We considered it reasonable for the Group to employ the aforesaid information technology related and network security products and services due to the technology-heavy nature of its businesses. Based on the above, and that the Group has established a long business relationship with BSAM Group, we considered it reasonable for the Group to use products and services provided or to be provided by BSAM Group pursuant to the existing Technique Services Framework Agreement.

On the other hand, we also noted from the contracts between the Group and BSAM Group under the existing Technique Services Framework Agreement that the services provided or to be provided by the Group to BSAM Group could be broadly summarised into (i) software development; (ii) network system design and establishment services; (iii) cloud products and services; and (iv) website and technical operation products, services and maintenance. Having considered the Group's principal activities of, inter alia, products and software development and services; industry solutions; and operation and maintenance services, etc., we were of the view that such services provided or to be provided by the Group to BSAM Group under the existing Technique Services Framework Agreement were in line with the ordinary and usual course of business of the Group and were reasonable.

We have then reviewed the Renewal Agreement. We noted that the terms and conditions of the Renewal Agreement are substantially the same as those of the existing Technique Services Framework Agreement, including the scopes of (i) the services provided or to be provided by BSAM Group to the Group; and (ii) the services provided or to be provided by the Group to BSAM Group and the pricing policies, with the exceptions of the effective term and proposed annual caps. As we considered (i) it reasonable for the Group to use products and services provided or to be provided by BSAM Group pursuant to the existing Technique Services Framework Agreement; and (ii) that the services provided or to be provided by the Group to BSAM Group under the existing Technique Services Framework Agreement were in line with the ordinary and usual course of business of the Group and were reasonable, we were of the view that the Renewal Agreement is also in the ordinary and usual course of business of the Group and reasonable because it is a renewal of the existing Technique Services Framework Agreement in nature and has substantially the same scopes of products and services.

We also concurred with the Board's view that the entering into of the Renewal Agreement will be beneficial to the Group's operation as the Group will earn revenue from providing services to BSAM Group, and that the products and services provided or to be provided by BSAM Group to the Group were generally used in the ordinary and usual course of business of the Group and are necessary and useful to the Group.

Based on all of the above, and also taking into account our analysis of other terms and conditions of the Renewal Agreement such as the pricing policies and the proposed annual caps, details of which are set out below in this letter, we considered that the entering into of the Renewal Agreement is in the usual and ordinary course of business of the Company, fair and reasonable, and in the interests of the Company and the Independent Shareholders as a whole.

2. The Renewal Agreement

(a) Principal terms of the Renewal Agreement

The principal terms of the Renewal Agreement are summarised below:

Date	:	31 October, 2025
Parties	:	(1) the Company (for and on behalf of the Group); and
		(2) BSAM (for and on behalf of BSAM Group), a connected person of the Company
Subject matter	:	Pursuant to the Renewal Agreement, (i) the Group has agreed to continue providing software development services, network system establishment and service, network design, website intensification, system integration, technical operation and maintenance, technical consultancy services, cloud services, cloud products, wireless products and related information technology services and products

to BSAM Group; and (ii) BSAM Group has agreed to continue providing electronic certification, information security, network security, internet access and other products and system development, operation and maintenance services, as well as information technology products and services such as data governance and analysis to the Group.

Term	:	From the effective date of the renewed Technique Services Framework Agreement (i.e. 1 January 2026) to 31 December 2028.
Conditions precedent	:	The transactions contemplated under the Renewal Agreement shall be subject to approval by the Independent Shareholders at the general meeting of the Company.
Pricing policy	:	The pricing policy under the Renewal Agreement is summarised as follows:

Regarding the services and products to be provided by the Group to BSAM Group

For the services and products to be provided by the Group to BSAM Group, the relevant members of the Group who provide the services and products will estimate the overall costs based on costs of labour, software and hardware equipment and etc., and then proposes a preliminary quotation based on the estimated overall costs plus a gross profit margin. The gross profit margin is determined: (i) by reference to the average bidding price of similar services and products in the open market, such as the China Government Procurement Network (中國政府採購網) (http://www.ccgp.gov.cn/); (ii) in compliance with the relevant laws, regulations and systems in relation to pricing; (iii) based on an arm's length negotiations with BSAM Group so as to ensure the service and product fees of the Group are reasonable and competitive. To ensure that the quotations provided by the Group are comparable to those provided by other suppliers of similar services and products in the market, the Group will also make reference to the average quotations of the Group for similar services and products provided to independent third parties to adjust its prices. When making reference to the average price of similar services and products provided to independent third parties, the Group generally uses three samples as a benchmark. The average gross profit margin applied to the initial quotations for services and products is approximately 25% to 40%, after, where applicable, taking into account the procurement costs, capital usage costs, and corresponding operation and maintenance service fees (with an operation and maintenance service period of three to five years).

The management of the Group will adjust the pricing policy from time to time in light of the changing market environment and taking into account of the status of development of the Company so that its pricing is competitive, beneficial to the Group and in compliance with the applicable laws, regulations and policy documents.

Regarding the services and products to be provided by BSAM Group to the Group

For the service and products to be provided by BSAM Group to the Group, the procurement department of the Group is responsible for the management of the procurement process. When the procurement department receives procurement requests from other business departments of the Group, it will determine the procurement approach in accordance with relevant laws, regulations and policy documents and the provisions of the Company's procurement management system, and undergo the procedures as required.

The procurement department will consider multiple factors, including the preliminary quotation, the average bidding price of similar services and products in the open market, and the necessary tendering procedures. To ensure that the fees charged by BSAM Group are fair and reasonable, for each individual transaction, the procurement department will conduct supplier inquiries, negotiations, or tendering and selection procedures to determine the final preferred supplier.

According to the relevant procurement internal procedures, single transaction with procurement amount not exceeding RMB2.5 million generally uses supplier inquiries and commercial negotiations. For asset-related construction projects, goods and services exceeding RMB2.5 million, the Group would normally conduct tendering and selection procedures.

Regardless of whether supplier inquiries, negotiations, or tendering and selection procedures are used, the procurement process is organized and executed by the procurement department. If the supplier inquiry method is used, the procurement department will normally invite three or more suppliers to participate for comparison and evaluation. If the tendering and selection procedure is used, detailed technical specifications and other

		requirements as well as the evaluation criteria will be prepared and included in the tender documents, which will be sent to at least three potential bidders for submission. An evaluation committee will be formed by engineers and experienced procurement staff to evaluate the bids based on the predetermined evaluation criteria, which include the supplier's quality management and measures, the ability to complete the work on time, price, qualifications, and reputation. According to the evaluation criteria and the applicable procurement management measures, the preferred supplier will be selected.
Proposed annual caps	:	Please refer to the section headed " (c) Discussion on the proposed annual caps of the Renewal Agreement" below in this letter.

(b) Discussion on the pricing policy of the Renewal Agreement

The pricing policies of the Renewal Agreement are substantially the same as those of the existing Technique Services Framework Agreement.

In particular, for the services and products to be provided by the Group to BSAM Group, the relevant member of the Group which provides services and products would firstly estimate the overall costs based on costs of labour, software and hardware equipment and etc. and then proposes a preliminary quotation based on the estimated overall costs plus a gross profit margin. We understood that the Company expected that the average gross profit margin applied to the initial quotations for services and products to be provided by the Group to BSAM Group under the Renewal Agreement would be approximately 25% to 40%, which is the same with the range of that under the existing Technique Services Framework Agreement and in line with the range of gross profit margins for similar products or services provided by the Group to independent third party customers, and will be determined from time to time (i) with reference to the average bidding price of similar services and products in the open market, such as the China Government Procurement Network and the average price offered by the Group to independent third parties for similar services and products, (ii) in compliance with relevant laws, regulations and policies regarding pricing, and (iii) based on an arm's length negotiations with BSAM Group, so as to ensure that the Group's services and products are reasonable and competitive. To ensure the quotation provided by the Group is comparable to the prices offered by other suppliers of similar services and products in the market and competitive, the Group may adjust its price with reference to the market information above from time to time.

We noted and considered that it is commercially reasonable, as the first step, for the Group to estimate the overall costs based on costs of labour, software and hardware equipment and etc. for the provision of the services and products, and then proposes a preliminary quotation based on the estimated overall costs plus a gross profit margin for the transactions contemplated under the Renewal Agreement, because it is important for all business to ensure that all costs are covered and gross profit are earned. In addition, we have enquired the Company and understood that the Group will also refer to the average bidding price of similar services and products in the open market, such as the China Government Procurement Network, and the average price offered to or by independent third parties for similar services and products, where applicable.

We have conducted our desktop search and noted that the China Government Procurement Network is a national-grade procurement website and, as shown on its website, the only media designated by the Ministry of Finance of the PRC to publish governmental procurement information. Taking into account such background of the China Government Procurement Network, we considered it a reliable and independent source of information relating to procurement prices, and it is fair and reasonable for the Group to make reference to the China Government Procurement Network in this regard. We also noted that the Group provided and will continue to provide services and products similar to those under the Renewal Agreement to independent third party customers. We have reviewed relevant contracts and confirmed the same. Therefore, we agreed that the Company could also make reference to the average price offered by the Group to independent third parties for similar services and products when determining those under the Renewal Agreement.

By making reference to open market information sources such as the China Government Procurement Network, as well as the average price offered by the Group to independent third parties for similar services and products, the Group could ensure that the prices it offers to BSAM Group from time to time under the Renewal Agreement would be generally in line with the prevailing market prices, and could adjust its offers whenever it becomes aware of changes in market trends and pricing fluctuations. Coupled with the cost-plus approach which could ensure that for every transaction (services and/or products) provided or to be provided by the Group to BSAM Group, the Group would cover all its estimated costs and enjoy certain gross profit comparable to those enjoyed by the Group when providing similar services and/or products to independent third party customers, we considered the pricing policies for the services and products to be provided by the Group to BSAM Group under the Renewal Agreement fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

On the other hand, for the service and products to be provided by BSAM Group to the Group, the procurement department of the Group is responsible for the management of the procurement process. When the procurement department receives procurement requests from other business departments of the Group, it will generally use: (i) for single transaction with procurement amount not exceeding RMB2.5 million, supplier inquiries and commercial negotiations procedures, where the procurement department will normally invite three or more suppliers to participate for comparison and evaluation; and (ii) for asset-related construction projects and goods and services exceeding RMB2.5 million, tendering and selection procedures, where detailed technical specifications and other requirements as well as the evaluation criteria will be prepared and included in the tender documents, which will be sent to at least three potential bidders for submission. An evaluation committee will be formed by engineers and experienced procurement staff to evaluate the bids based on the predetermined evaluation criteria, which include the supplier's quality management and measures, the ability to complete the work on time, price, qualifications, and reputation. According to the evaluation criteria and the applicable procurement management measures, the preferred supplier will be selected.

Either way, through the process of inviting at least three potential suppliers or bidders (which may include BSAM Group) for procurement quotations or bids, the Group will have diverse options and could choose the best among them after considering and comparing various factors such as price, quality and overall service, etc. It may also enhance competition among potential suppliers or bidders (which may include BSAM Group), encouraging them to offer their best prices, terms and quality, which will be beneficial to the Group. Having multiple quotations or bids, the Group may also have leverage in negotiating better prices and terms. Moreover, through obtaining quotations or bids from various suppliers or bidders, the Group will have insights into market trends, pricing fluctuations, and emerging developments, which is useful information for the Group in determining and adjusting procurement policies from time to time and is beneficial to the Group.

For our due diligence purpose, we obtained from the Company three sets of walkthrough documents for each of (i) the services and products provided by BSAM Group to the Group under the existing Technique Services Framework Agreement; and (ii) similar services and products provided by independent third party suppliers to the Group, all of which took place from 1 January 2023 up to the Latest Practicable Date. We considered the number of sampled walkthrough documents sufficient for our analyses purposes and that they are reference of transactions within a reasonable period of time. After reviewing the walkthrough documents, we noted that (i) the pricing policies and procedures discussed above were equally in place for both the services and products provided by BSAM Group and by independent third party suppliers, including the multiple quotation or bid process, price and terms comparison and/or reference to independent source procedures; (ii) the prices offered by BSAM Group to the Group were no less favourable to the Group than those offered by independent third party suppliers to the Group. As such, we were satisfied that the pricing policies and procedures under the existing Technique Services Framework Agreement have been properly executed, and as the pricing policies of the Renewal Agreement are substantially the same as those of the existing Technique Services Framework Agreement, we casted no doubt on it being carried out in the future. Based on the above, we considered the pricing policies for the services and products to be provided by BSAM Group to the Group under the Renewal Agreement fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

As we considered the pricing policies for both the services and products to be provided to BSAM Group by the Group/by BSAM Group to the Group under the Renewal Agreement fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole, we were of the view that the pricing polices under the Renewal Agreement, overall, are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

(c) ***Discussion on the proposed annual caps of the Renewal Agreement***

Historical annual caps and transaction amounts under the existing Technique Services Framework Agreement

As set out in the Letter from the Board, the historical annual caps and actual circumstances of the connected transactions under the Technique Services Framework Agreement of each year from 2023 to 2025 are as follows:

	Category	**For FY2023** *(RMB0'000)*	**For FY2024** *(RMB0'000)*	**For the year ending 31 December 2025** *(RMB0'000)*
Income nature: Provision of information technology services including software development, system integration, network system services, cloud platform by the Group to BSAM Group	Annual caps	3,500	9,500 (as revised)	9,500 (as revised)
	Actual transaction amount	3,409	7,316	4,024 (up to 30 October 2025 only)
Expense nature: Provision of electronic certification, information security, network security, internet access and other products and services and system development, operation and maintenance services, as well as information technology products and services such as data governance and analysis by BSAM Group to the Group	Annual caps	3,000	4,500 (as revised)	4,500 (as revised)
	Actual transaction amount	2,759 (including service fees under Capnet Framework Agreement with an amount of 323)	3,089	1,916 (up to 30 October 2025 only)

Proposed annual caps of the Renewal Agreement and basis of determination

The annual caps for (i) the service fees to be paid by BSAM Group to the Group and (ii) the service fees to be paid by the Group to BSAM Group under the Renewal Agreement for the each of the three years ending 31 December 2028 (collectively, the "**Proposed Annual Caps**") are set out as follows:

	For the year ending 31 December 2026 *(RMB0'000)*	**For the year ending 31 December 2027** *(RMB0'000)*	**For the year ending 31 December 2028** *(RMB0'000)*
Annual cap for the service fees to be paid by BSAM Group to the Group	10,500	10,500	10,500
Annual cap for the service fees to be paid by the Group to BSAM Group	4,950	4,950	4,950

Our discussion on the Proposed Annual Caps

To assess the basis of determining the Proposed Annual Caps and the factors considered by the Board, we have the following analysis.

We first studied the historical transaction amounts under the Technique Services Framework Agreement. For FY2023, the annual caps under the existing Technique Services Framework Agreement for the service fees to be paid by BSAM Group to the Group/to BSAM Group by the Group were RMB35.00 million and RMB30.00 million, respectively, and the actual transaction amounts were approximately RMB34.09 million and RMB24.36 million, respectively, representing an utilisation rate of approximately 97.40% and 81.20%, respectively, which we considered high.

Then for both FY2024 and the year ending 31 December 2025 ("**FY2025**"), we noted that the annual caps under the existing Technique Services Framework Agreement (i) for the service fees to be paid by BSAM Group to the Group were increased from RMB35.00 million to RMB95.00 million; and (ii) for the service fees to be paid by the Group to BSAM Group were increased from RMB30.00 million to RMB45.00 million, details of which are set out in the circular of the Company dated 23 August 2024. The primary reason of such increases was an expected increase in the volume and amount of the transactions thereof.

We noted that, after such revision, the actual transaction amounts for FY2024 for the service fees paid by BSAM Group to the Group/to BSAM Group by the Group were approximately RMB73.16 million and RMB30.89 million, respectively, representing an utilisation rate of approximately 77.01% and 68.64%, respectively. Although the utilisation rates of the annual caps under the existing Technique Services Framework Agreement decreased when comparing

FY2024 with FY2023, the actual transaction amounts increased significantly during the same years, being approximately 114.61% and 11.96%, respectively, for the service fees paid by BSAM Group to the Group/to BSAM Group by the Group. We considered that there were indeed increases in the volume and amount of the transactions under the existing Technique Services Framework Agreement in FY2024, particularly in the service and product fees paid by BSAM Group to the Group.

We then noted that the actual transaction amounts for the ten months ended 30 October 2025 for the service fees paid by BSAM Group to the Group/to BSAM Group by the Group were approximately RMB40.24 million and RMB19.16 million, respectively, representing an utilisation rate of approximately 42.36% and 42.58%, respectively, of the annual caps under the existing Technique Services Framework Agreement. Nonetheless, such actual transaction amounts were only ten-month figures instead of full-year figures. In this regard, we have enquired the Company on its estimation on the expected transaction amounts under the existing Technique Services Framework Agreement for the full FY2025, and understood that they were approximately RMB57.74 million and RMB22.54 million, respectively, for the service fees paid by BSAM Group to the Group/to BSAM Group by the Group.

Based on the aforesaid expected transaction amounts under the existing Technique Services Framework Agreement for the full FY2025, the utilisation rate of the annual caps under the existing Technique Services Framework Agreement for the FY2025 would be approximately 60.78% and 50.09%, respectively, for the service fees paid by BSAM Group to the Group/to BSAM Group by the Group.

We noted that the expected utilisation rates of the annual caps under the existing Technique Services Framework Agreement for FY2025 would decrease when compared to that of FY2024. We have enquired with the Company and understood that it was mainly because certain services and products provided by the Group to BSAM Group were subject to BSAM Group's inspection and acceptance, probably around December 2025, and therefore the transaction amounts of these services and products were excluded from the estimation of expected transaction amounts under the existing Technique Services Framework Agreement for the full FY2025. The Company also considered the decreases in the expected transaction amounts under the existing Technique Services Framework Agreement for the full FY2025 to be normal market activity fluctuations, and it was not aware of material adverse factors leading to such decreases.

To assess the fairness and reasonableness of the Proposed Annual Caps taking the above into account, we have obtained from the Company a full list of contracts expected to be entered into with BSAM Group (both income and expense nature) during each of the three years ending 31 December 2028 pursuant to the Renewal Agreement, as well as the expected transaction amounts with BSAM Group during the same years, respectively. We noted that, for the year ending 31 December 2026, 2027 and 2028, respectively:

(i) regarding the service and product to be provided by the Group to BSAM Group (all amounts here are tax-inclusive):

- the total contract sum of all contracts expected to be entered into with BSAM Group amounted to over RMB48.00 million, RMB25.50 million and RMB25.50 million; and

- the expected transaction amounts (which may be generated from contracts entered into both prior to and during the respective year) are over RMB53.50 million, RMB46.50 million and RMB25.00 million; and

(ii) regarding the service and product to be provided by BSAM Group to the Group (all amounts here are tax-inclusive):

- the total contract sum of all contracts expected to be entered into with BSAM Group amounted to over RMB15.00 million, RMB16.00 million and RMB11.00 million; and

- the expected transaction amounts (which may be incurred from contracts entered into both prior to and during the respective year) are over RMB21.00 million, RMB17.00 million and RMB11.50 million.

We noted that as at the Latest Practicable Date, the Company already managed to negotiate with BSAM Group and obtain therefrom indications of interest in entering into contracts with the Group with total contract sums (i) over RMB48.00 million, RMB25.50 million and RMB25.50 million for service and product to be provided by the Group to BSAM Group; and (ii) over RMB15.00 million, RMB16.00 million and RMB11.00 million for service and product to be provided by BSAM Group to the Group, for the year ending 31 December 2026, 2027 and 2028, respectively. In addition, we further enquired the Company and understood that apart from these expected future contracts with BSAM Group as at the Latest Practicable Date, there is a chance that the Company will contemplate and enter into new contracts with BSAM Group during the three years ending 31 December 2028.

In light of such significant amounts of indicated contract sums as at the Latest Practicable Date, we considered that (i) both the Group and BSAM Group remain highly interested in using the other party's services and products; (ii) the Group and BSAM Group have built trust on each other and are committed to each other's services and products; and (iii) it is therefore reasonable for the Group to expect a significant amounts of transactions with BSAM Group for the three years ending 31 December 2028, which could be generated/incurred from existing contracts on hand and the aforesaid expected future contracts between the Group and BSAM Group. In particular, the Group expected the transaction amounts with BSAM Group to be (i) over RMB53.50 million, RMB46.50 million and RMB25.00 million for service and product to be provided by the Group to BSAM Group; and (ii) over RMB21.00 million, RMB17.00 million and RMB11.50 million for service and product to be provided by BSAM Group to the Group, for each of the three years ending 31 December 2028. Such expected transaction amounts, reflecting only the Group's existing contracts on hand and future contracts with BSAM Group during the three years ending 31 December 2028 which are indicated to and could be expected by the Group as at the Latest Practicable Date, would already take up a significant part of the Proposed Annual Caps, if materialised.

On top of the aforesaid already expected transaction amounts with BSAM Group as at the Latest Practicable Date, the Company may still contemplate and enter into new contracts with BSAM Group during the three years ending 31 December 2028. In particular, we have enquired with the Company and understood that it is the Company's understanding that BSAM Group is having increasing internal demand for digital transformation among its group companies, and therefore may have rising needs for services like software development, system integration and technical operation, maintenance and consultancy, which could be provided by the Group. It is also the Company's understanding that BSAM Group is in the process of integrating its information technology and data businesses, as well as cooperating with other enterprises in the industry, seeking to further grow its information technology and data businesses. In this relation, we noted from the website of BSAM[1] that it has announced[2] its active participation, through a recently established group led by BSAM, in the construction of the National Data Element Comprehensive Pilot Zone (Beijing), a national pilot program of the PRC aiming to construct and enhance national data infrastructure, vitalise public data resources value, and enrich the data industry ecosystem. In summary, the group led by BSAM is developing a financial data zone which has accumulated over 6.3 billion data entries and continues to explore the applications of public data resources in large scale; it also established the Beijing node of the national data circulation infrastructure, achieving interconnected, high quality calculation power network with multiple city nodes; it has also set up 23 data element service centers in collaboration with local governments, adding over 2,700 market participants and strengthening the data business ecosystem. In the near future, the group led by BSAM aims to concentrate on key areas including digital transformation for government and enterprises, data infrastructure development, and exploring new technologies such as artificial intelligence and quantum computing. Based on the above, we did not doubt the Company's understanding that BSAM Group may have increasing demand for the Group's services and products in the near future. As a result of the above, the level of purchase from BSAM Group to the Group may further grow when compared to present stage. On the other hand and in return, the possible rising level of purchase from BSAM Group may also drive the Group's operational demand for BSAM Group's services and products as they have been long used in the ordinary course of businesses of the Group. Other than that, the Company also expected that its businesses with independent third party customers would continue to grow under favourable market conditions and government policies, which are in favour of digital transformation and Informatization, which would also drive the Group's operational demand for BSAM Group's service and product.

---

[1] https://www.bsam.com.cn/

[2] https://www.bsam.com.cn/newsInfo_34dc076c94184a3d8e18094c80dfb239.html

Overall, we noted that (i) the utilisation rates of the annual caps under the existing Technique Services Framework Agreement for FY2023 were high; (ii) although the utilisation rates of the annual caps under the existing Technique Services Framework Agreement (upon revision) for FY2024 decreased, the transaction amounts indeed actually increased significantly during the same years, being approximately 114.61% and 11.96%, respectively, for the service fees paid by BSAM Group to the Group/to BSAM Group by the Group; and (iii) although the expected utilisation rates of the annual caps under the existing Technique Services Framework Agreement for FY2025 would decrease when compared to that of FY2024, as at the Latest Practicable Date, the Company already managed to negotiate with BSAM Group and obtain therefrom indications of interest in entering into contracts with the Group for the year ending 31 December 2026, 2027 and 2028, respectively, with a significant amount of total contract sums; (iv) the expected transaction amounts, arising only from the Group's existing contracts on hand and future contracts with BSAM Group during the three years ending 31 December 2028 which are indicated to and could be expected by the Group as at the Latest Practicable Date, would already take up a significant part of the Proposed Annual Caps, if materialized; (v) there is a chance that the Company will contemplate and enter into new contracts with BSAM Group during the three years ending 31 December 2028; (vi) it is the Company's understanding that BSAM Group may have increasing demand for the Group's service and product in the near future, and that the Group may also have increasing needs for BSAM Group's service and product in the Group's ordinary course of businesses, driven by BSAM Group's increasing demand and increasing businesses with independent third party customers, as expected by the Group. Therefore, we considered that the future transaction amounts under the Renewal Agreement for the three years ending 31 December 2028 may be larger than the current level under the existing Technique Services Framework Agreement, and that it is reasonable for the Company to propose the Proposed Annual Caps which are higher than the annual caps under the existing Technique Services Framework Agreement.

In this relation, we noted that the Proposed Annual Caps for (i) the service fees to be paid by BSAM Group to the Group, which is the same for each of the three years ending 31 December 2028, being RMB105.00 million; and (ii) the service fees to be paid by the Group to BSAM Group, which is also the same for each of the three years ending 31 December 2028, being RMB49.50 million, represented an increase of approximately 10.53% and 10%, respectively, when compared to the respective annual cap for the FY2025, being the last year covered under the existing Technique Services Framework Agreement. We have further enquired with the Company and understood that when determining the Proposed Annual Caps, the Company has taken into account the expected growth in BSAM Group's demand for the Group's services and products, details of which have been discussed above, as well as the Group's increasing demand for BSAM Group's services and products on the other hand, and took a conservative approach to propose mild increases of around 10% in the Proposed Annual Caps when compared to the respective annual cap for the FY2025, being the last year covered under the existing Technique Services Framework Agreement. Considering all the factors discussed in this section, including but not limited to the surge in the Group's actual transaction amounts with BSAM Group for FY2024 under the existing Technique Services Framework Agreement, the significant amounts of indicated contract sums and expected transaction amounts with BSAM Group, the expected future development of BSAM Group driving its demand for the Group's services and products, as well as the Group's increasing demand for BSAM Group's services and products on the other hand, we considered that the increase of approximately 10.53% and 10%, respectively, represented by the Proposed Annual Caps of RMB105.00 million and RMB49.50 million, respectively, for the service fees to be paid by BSAM Group to the Group/to BSAM Group by the Group for each of the three years ending 31 December 2028 when compared to that for the FY2025 under the existing Technique Services Framework Agreement, was conservative and fair and reasonable. Based on the above, we considered the Proposed Annual Caps fair and reasonable.

3. Internal control measures in respect of the Renewal Agreement

We have also reviewed the internal control measures of the Group as follows, and we considered that such internal control measures are sufficient to ensure that the Renewal Agreement and the transactions contemplated thereunder will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Independent Shareholders in accordance with the pricing policies and the principles set out in the Renewal Agreement and in compliance with the Listing Rules.

(i) each quotation for the service and products to be provided by the Group to BSAM Group under the Renewal Agreement will go through the internal approval system of the Group, under which it passes through different departments for consideration, including the planning department, the finance management department and the management of the Company for review and approval. The management of the Company would ensure that the final quotation is fair and reasonable and beneficial to the Group as a whole;

(ii) each individual transaction in relation to the service and products to be provided by BSAM Group to the Group under the Renewal Agreement shall be reviewed and approved by the head of the procurement department of the Group before execution to ensure that the terms and procedures are in compliance with the Company's pricing policy;

(iii) following the entering into of the Renewal Agreement, the Company will regularly review the transactions to be entered into with BSAM Group to identify any transactions that maybe at risk of exceeding the annual caps and any measures to be introduced in response to such transactions. All transactions between the Group and BSAM Group will be subject to detailed review at least once a year. The finance management department of the Group is responsible for monitoring the transaction amounts of the continuing connected transactions quarterly, reporting to Board's office to ensure that the transactions are conducted in accordance with the respective pricing policies and the annual caps are not exceeded; and

(iv) before placing an order with BSAM Group, the Group's procurement department will obtain quotations from BSAM Group for each purchase and compare quotations from other independent suppliers for similar services and products to ensure price competitiveness. Where possible and feasible, the Group will usually establish a benchmark, i.e., obtaining three quotations from independent third parties as a price reference when purchasing similar services and products.

The auditors and independent non-executive Directors of the Company will also conduct annual review of the continuing connected transactions entered into by the Group on whether the continuing connected transactions have been conducted in compliance of the pricing policies and whether the relevant annual caps have been exceeded.

In light of (i) the aforesaid internal control measures adopted by the Group and the reporting requirements attached to the Renewal Agreement; (ii) we have obtained and reviewed walkthrough and supporting documents from the Company and considered that the pricing policies and procedures under the existing Technique Services Framework Agreement have been properly executed and casted no doubt that the pricing policies and procedures under the Renewal Agreement will be carried out properly in the future; and (iii) the reporting requirements attached to the continuing connected transactions under the Renewal Agreement as explained below, we are of the view that appropriate measures will be in place to govern the conduct of the Renewal Agreement and assist in safeguarding the interests of the Company and the independent Shareholders as a whole.

4. Reporting requirements and conditions of the continuing connected transactions contemplated under the Renewal Agreement

Pursuant to Rules 14A.55 to 14A.59 of the Listing Rules, the continuing connected transactions contemplated under the Renewal Agreement are subject to the following annual review requirements:

(a) The Company's independent non-executive Directors must review the continuing connected transactions every year and confirm in the annual report whether the transactions have been entered into:

(i) in the ordinary and usual course of business of the Group;

(ii) on normal commercial terms or better; and

(iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole;

(b) The Company must engage its auditors to report on the continuing connected transaction every year. The auditors must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the continuing connected transactions:

(i) have not been approved by the Board;

(ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group;

(iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and

(iv) have exceeded the cap;

(c) The Company must allow, and ensure that the counterparties to the continuing connected transactions allow, the auditors sufficient access to their records for the purpose of reporting on the transactions; and

(d) The Company must promptly notify the Stock Exchange and publish an announcement if the independent non-executive Directors and/or the auditors cannot confirm the matters as required. The Stock Exchange may require the Company to re-comply with the announcement and shareholders' approval requirements and may impose additional conditions.

In light of the reporting requirements attached to the continuing connected transactions and the Group's internal control measures as discussed in the paragraphs headed "3. Internal control measures in respect of the Renewal Agreement" above in this letter, we are of the view that appropriate measures will be in place to effectively monitor the conduct of the continuing connected transactions and assist to safeguard the interests of the Independent Shareholders.

RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the opinion that the Renewal Agreement and the transactions contemplated thereunder are (i) in the ordinary and usual course of business of the Group; (ii) in the interests of the Company and the Independent Shareholders as a whole; and (iii) the terms of the Renewal Agreement are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Renewal Agreement and the transactions contemplated thereunder and we recommend the Independent Shareholders to vote in favour of the resolution(s) in this regard.

Yours faithfully,
For and on behalf of
RED SOLAR CAPITAL LIMITED

Leo Chan
Managing Director

Mr. Leo Chan is a licensed person and responsible officer of Red Solar Capital Limited registered with the SFC to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and has over 12 years of experience in corporate finance industry.