



Huafa Property Services Group Company Limited
華發物業服務集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock code: 982)

19 July 2024

To the Disinterested Shareholders

Dear Sir or Madam,

**(1) CONDITIONAL PROPOSAL FOR THE PRIVATISATION OF
HUAFA PROPERTY SERVICES GROUP COMPANY LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT;
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
HUAFA PROPERTY SERVICES GROUP COMPANY LIMITED**

We refer to the scheme document (the “**Scheme Document**”) dated 19 July 2024 jointly issued by the Company and the Offeror in relation to the Proposal and the Scheme, of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meaning as defined in the Scheme Document.

We have been appointed by the Board as the Independent Board Committee to make a recommendation to the Disinterested Shareholders as to: (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the SGM.

Altus Capital Limited, the Independent Financial Adviser, has been appointed by the Company with our approval, to advise us in respect of the Proposal and the Scheme.

We wish to draw your attention to (a) the letter from the Board as set out in Part IV of the Scheme Document; (b) the letter from the Independent Financial Adviser as set out in Part VI of the Scheme Document which sets out the factors and reasons taken into account by the Independent Financial Adviser in arriving at its recommendations; and (c) the Explanatory Statement as set out in Part VII of the Scheme Document.

We, having considered the terms of the Proposal and the Scheme, and having taken into account the advice and recommendation of the Independent Financial Adviser to us, and in particular the factors, reasons and recommendations as set out in the Independent Financial Adviser's letter, consider that the Proposal and the Scheme are fair and reasonable so far as the Disinterested Shareholders are concerned.

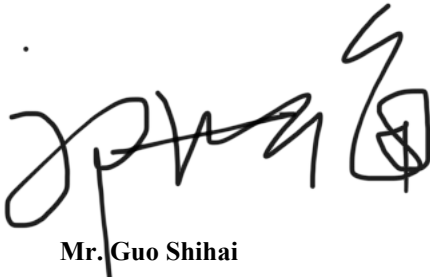
Accordingly, we recommend:

- (1) at the Court Meeting, the Disinterested Shareholders to vote in favour of the Scheme;
- (2) at the SGM, the Shareholders to vote in favour of:
 - (a) the special resolution to approve any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares; and
 - (b) the ordinary resolution to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares.

Yours faithfully,
Independent Board Committee . . .

Dr. Chen Jieping
*Independent Non-executive
Director*

Mr. Pu Yonghao
*Independent Non-executive
Director*


Mr. Guo Shihai
*Independent Non-executive
Director*

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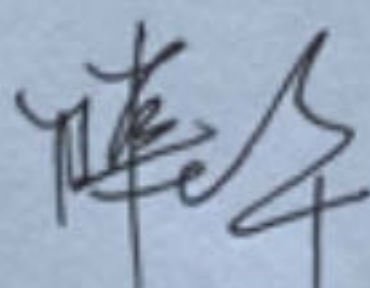
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