



(Incorporated in the Cayman Islands with limited liability)

(Stock code: 228)

13 January 2026

To the Independent Shareholders and the Convertible Bondholders,

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
CINDA INTERNATIONAL CAPITAL LIMITED
FOR AND ON BEHALF OF ALPHA EAGLE LIMITED
TO ACQUIRE ALL THE ISSUED SHARES AND
OUTSTANDING CONVERTIBLE BONDS OF
CHINA ENERGY DEVELOPMENT HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY ALPHA EAGLE LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

We refer to this Composite Document dated 13 January 2026 jointly issued by the Offeror and the Company of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as those defined in this Composite Document.

We have been appointed by the Board to constitute the Independent Board Committee to consider the terms of the Offers and to advise you as to whether, in our opinion, the Offers are fair and reasonable so far as the Independent Shareholders and the Convertible Bondholders are concerned and as to the acceptance of the Offers. We have declared that we are independent and have no direct or indirect interest in the Offers, and are able to consider the terms of the Offers and to make recommendations to the Independent Shareholders and the Convertible Bondholders.

Donvex has been appointed, with our approval, as the independent financial adviser to advise us in respect of the Offers and their terms and conditions. Details of its advice and the principal factors and reasons taken into consideration in arriving at its recommendation in respect of the Offers are set out in the "Letter from the Independent Financial Adviser" on pages 29–49 of this Composite Document.

We also wish to draw your attention to the "Letter from Cinda" set out on pages 7–18 of this Composite Document which contains, among other things, information about the Offers, the "Letter from the Board" set out on pages 19–25 of this Composite Document which contains information about the Company, the additional information set out in the appendices to this Composite Document, and the accompanying Forms of Acceptance in respect of the terms of the Offers and acceptance and settlement procedures for the Offers.

RECOMMENDATIONS

The Share Offer

Taking into account the terms of the Share Offer and the independent advice from the Independent Financial Adviser, and the principal factors and reasons taken into account in arriving at its recommendation, we consider that the Share Offer is fair and reasonable so far as the Independent Shareholders are concerned and recommend the Independent Shareholders to accept the Share Offer.

However, for those Independent Shareholders who are considering to realise all or part of their holdings in the Shares, they should closely monitor the market price and liquidity of the Shares during the Offer Period. Should the market price of the Shares exceed the Share Offer Price during the Offer Period, and the sale proceeds (net of transaction costs) exceed the net proceeds receivable under the Share Offer, the Independent Shareholders may wish to consider selling their Shares in the market instead of accepting the Share Offer.

In any case, the Independent Shareholders are strongly advised that the decision to realise or to hold their investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for advice. Furthermore, the Independent Shareholders who wish to accept the Share Offer are recommended to read carefully the procedures for accepting the Share Offer as details in Appendix I to this Composite Document and the accompanying Forms of Acceptance.

The Convertible Bonds Offer

Taking into account the terms of the Convertible Bonds Offer and the independent advice from the Independent Financial Adviser, and the principal factors and reasons taken into account in arriving at its recommendation, we consider that the Convertible Bonds Offer is not fair and reasonable as far as the Convertible Bondholders are concerned and the Convertible Bondholders are recommended not to accept the Convertible Bonds Offer accordingly.

Yours faithfully,

For and on behalf of the
Independent Board Committee



Ms. Chin Ying Ying
*Independent non-executive
Director*

Mr. Lee Man Tai
*Independent non-executive
Director*

Mr. Zhang Zhenming
*Independent non-executive
Director*

The Convertible Bonds Offer

Taking into account the terms of the Convertible Bonds Offer and the independent advice from the Independent Financial Adviser, and the principal factors and reasons taken into account in arriving at its recommendation, we consider that the Convertible Bonds Offer is not fair and reasonable as far as the Convertible Bondholders are concerned and the Convertible Bondholders are recommended not to accept the Convertible Bonds Offer accordingly.

Yours faithfully,

For and on behalf of the
Independent Board Committee



Ms. Chin Ying Ying
*Independent non-executive
Director*



Mr. Lee Man Tai
*Independent non-executive
Director*

Mr. Zhang Zhenming
*Independent non-executive
Director*