

**ZONQING Environmental Limited**  
**中庆环境股份有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1855)**

9 June 2023

*To the Independent Shareholders*

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO  
ACQUISITION OF 87.50% INTEREST IN  
JILIN MODERN ZHONGQING**

We refer to the circular dated 9 June 2023 issued by the Company (the “**Circular**”), of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

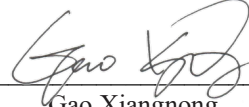
We have been appointed as the members of the Independent Board Committee to consider the Equity Transfer Agreement and the Acquisition and to advise the Independent Shareholders whether the terms of the Equity Transfer Agreement and the Acquisition contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned, on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole and to the voting action that should be taken. Rainbow Capital (HK) Limited has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

**RECOMMENDATION**

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 31 of the Circular, and the letter from Rainbow Capital (HK) Limited which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Equity Transfer Agreement and the Acquisition contemplated thereunder, as well as the principal factors and reasons considered by the Rainbow Capital (HK) Limited in arriving at its recommendation as set out on pages 34 to 66 of the Circular.

After taking into consideration the advice from Rainbow Capital (HK) Limited, we consider that the terms of the Equity Transfer Agreement and the Acquisition contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and on normal commercial terms, and that they are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Equity Transfer Agreement and the Acquisition contemplated thereunder.

Yours faithfully,  
For and on behalf of  
the Independent Board Committee of  
ZONQING Environmental Limited  
中庆环境股份有限公司



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Gao Xiangnong

*Independent non-executive Director*

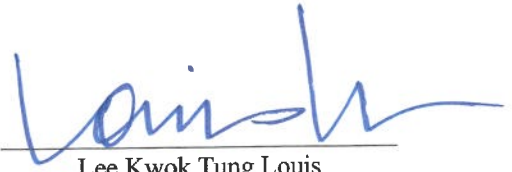
Yours faithfully,  
For and on behalf of  
the Independent Board  
Committee of  
ZONQING Environmental  
Limited  
中庆环境股份有限公司



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Yin Jun  
*Independent non-executive Director*

Yours faithfully,  
For and on behalf of  
the Independent Board Committee of  
ZONQING Environmental Limited  
中庆环境股份有限公司



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Lee Kwok Tung Louis  
*Independent non-executive Director*