

**LETTER FROM THE INDEPENDENT BOARD COMMITTEE**

*The following is the letter of advice from the Independent Board Committee to the Independent Shareholders, which has been prepared for the purpose of this circular.*



**佳華百貨控股有限公司**  
**Jiahua Stores Holdings Limited**

*(incorporated in the Cayman Islands with limited liability)*  
**(stock code: 00602)**

22 December 2021

*To: the Independent Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION  
TO THE LONG-TERM LEASE AGREEMENT**

We refer to the circular of the Company dated 22 December 2021 (the "Circular") of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used herein.

We have been appointed by the Board to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in our opinion, the Long-Term Lease Agreement and the transactions contemplated thereunder was entered into in the ordinary and usual course of business of the Group on normal commercial terms, and the terms of the Long-Term Lease Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Having considered the terms of the Long-Term Lease Agreement and the advice of Independent Financial Adviser in relation thereto as set out on pages 15 to 34 of this Circular, we are of the opinion that the Long-Term Lease Agreement was entered into in the ordinary and usual course of business of the Group; on normal commercial terms, and the terms of the Long-Term Lease Agreement and the transactions contemplated thereunder are in the interests of the Company and its Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Long-Term Lease Agreement and the transactions thereunder.

Yours faithfully,  
**Independent Board Committee**

**Mr. Chin Kam Cheung**

**Mr. Sun Ju Yi**  
*Independent Non-executive Director*

**Mr. Al Ji**