



**CSE**

**中國智慧能源集團控股有限公司**  
CHINA SMARTER ENERGY GROUP HOLDINGS LIMITED  
(Incorporated In Bermuda with Limited liability)

Date: 9 September 2016

*To the Qualifying Shareholders and Bondholders,*

Dear Sir or Madam,

**(1) ACQUISITION OF CONTROLLING INTEREST IN  
CHINA SMARTER ENERGY GROUP HOLDINGS LIMITED BY  
GORGEIOUS INVESTMENT GROUP HOLDING CO., LIMITED  
AND  
(2) MANDATORY UNCONDITIONAL CASH OFFERS BY  
HAITONG INTERNATIONAL SECURITIES COMPANY LIMITED  
FOR AND ON BEHALF OF  
GORGEIOUS INVESTMENT GROUP HOLDING CO., LIMITED  
TO ACQUIRE ALL OF THE ISSUED SHARES AND  
ALL OUTSTANDING CONVERTIBLE BONDS OF  
CHINA SMARTER ENERGY GROUP HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED  
TO BE ACQUIRED BY GORGEIOUS INVESTMENT GROUP HOLDING CO.,  
LIMITED AND/OR PARTIES ACTING IN CONCERT WITH IT)**

We refer to the Composite Document jointly issued by the Offeror and the Company dated 9 September 2016 of which this letter forms part. Unless the context otherwise requires, terms defined in the Composite Document shall have the same meanings when used in this letter.

We have been appointed by the Board to form the Independent Board Committee to consider and to advise the Qualifying Shareholders and Bondholders as to whether or not the terms of the Offers are fair and reasonable and to make a recommendation as to acceptance of the Offers. Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us in respect of the above.

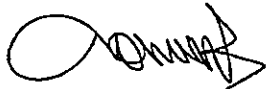
We draw your attention to the letter from the Board and the letter from the Independent Financial Adviser as set out in the Composite Document.

Having considered the terms of the Offers, taking into account the information contained in this Composite Document and the advice of the Independent Financial Adviser, in particular the factors, reasons and recommendations as set out in its letter in this Composite Document, we are of the opinion that the terms of the Share Offer (including the Offer Price) are fair and reasonable so far as the Qualifying Shareholders are concerned and that the terms of the CB Offer (including the offer price of the Convertible Bonds) are not fair and reasonable so far as the Bondholders are concerned. Accordingly, we recommend the Qualifying Shareholders to accept the Share Offer and the Bondholders to consider not accepting the CB Offer.

However, as advised by the Independent Financial Adviser, given that the Offer Price under the Share Offer represents discounts to the recent market prices of the Shares (including but not limited to the closing price of the Shares as at the Latest Practicable Date) and that with low trading liquidity of the Shares, disposal of large block of Shares by the Qualifying Shareholders in the open market would likely to trigger price slump of the Shares, the Qualifying Shareholders are reminded to closely monitor the market price of the Shares and liquidity of the Shares during the Offer Period, and consider selling their Shares in the open market, where possible, instead of accepting the Share Offer, if the net proceeds from such sales exceed the net amount receivable under the Share Offer.

The Qualifying Shareholders and Bondholders are recommended to read the full text of the letter from the Independent Financial Adviser on pages 27 to 49 of this Composite Document. Notwithstanding our recommendation, Qualifying Shareholders and Bondholders are strongly advised that the decision to realise or to hold your investment in the Shares and/or Convertible Bonds (as the case may be) is subject to individual circumstances and investment objectives and they should consider carefully the terms of the Offers.

Yours faithfully,  
For and on behalf of the  
**INDEPENDENT BOARD COMMITTEE**

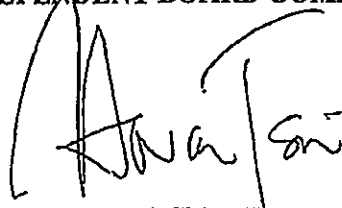


**Mr. Fok Ho Yin, Thomas**  
*Independent*  
*Non-executive Director*

**Mr. Tsui Ching Hung**  
*Independent*  
*Non-executive Director*

**Ms. Cheung Oi Man, Amelia**  
*Independent*  
*Non-executive Director*

Yours faithfully,  
For and on behalf of the  
**INDEPENDENT BOARD COMMITTEE**

A handwritten signature in black ink, appearing to read 'Amelia', written over a large, faint, stylized outline of the letter 'A'.

**Mr. Fok Ho Yin, Thomas**  
*Independent*  
*Non-executive Director*

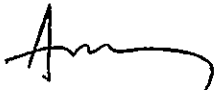
**Mr. Tsui Ching Hung**  
*Independent*  
*Non-executive Director*

**Ms. Cheung Oi Man, Amelia**  
*Independent*  
*Non-executive Director*

Yours faithfully,  
For and on behalf of the  
**INDEPENDENT BOARD COMMITTEE**

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*Non-executive Director*

**Mr. Tsui Ching Hung**  
*Independent*  
*Non-executive Director*

  
**Ms. Cheung Oi Man, Amelia**  
*Independent*  
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