



**红日资本有限公司**  
**RED SUN CAPITAL LIMITED**

27 May 2025

**Luzhou Xinglu Water (Group) Co., Ltd.**

40/F, Dah Sing Financial Centre

248 Queen's Road East

Wanchai, Hong Kong

**Attention: The Board of Directors**

Dear Sirs,

**Re: Luzhou Xinglu Water (Group) Co., Ltd. (the "Company", together with its subsidiaries, the "Group") – Continuing Connected Transactions in relation to Sludge Disposal Services**

We refer to the circular dated 27 May 2025 issued by the Company in connection with the captioned matter (the "**Circular**"). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Circular.

As at the Latest Practicable Date,

- (i) we did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group;
- (ii) we did not have any direct or indirect interest in any assets which have been, since 31 December 2024, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (iii) we have given and have not withdrawn our written consent to the issue of the Circular with the inclusion of our letter in connection with our advice to the Independent Board Committee and the Independent Shareholders, and/or reference to our name and opinion in the form and context in which it appears.

Yours faithfully,

For and on behalf of  
**Red Sun Capital Limited**

Lewis Lai  
*Managing Director*