LETTER FROM THE INDEPENDENT BOARD COMMITTEE

PCCW Limited
電訊盈科有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 0008)

September 2, 2020

To Qualifying Shareholders

Dear Sir or Madam,

VOLUNTARY CASH PARTIAL OFFER BY STANDARD CHARTERED BANK (HONG KONG) LIMITED ON BEHALF OF THE OFFEROR TO ACQUIRE 154,592,765 SHARES IN THE SHARE CAPITAL OF THE COMPANY FROM QUALIFYING SHAREHOLDERS

We have been appointed as members of the Independent Board Committee to advise you in respect of the Partial Offer, details of which are set out in the letter from SCB and the letter from the Board in this Composite Document in relation to the Partial Offer jointly issued by the Company and the Offeror dated September 2, 2020, of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in this Composite Document unless the context requires otherwise.

Your attention is drawn to the letter from the Board, the letter from SCB, Appendix I to this Composite Document and the accompanying Form of Approval and Acceptance containing the detailed terms of the Partial Offer, and the letter of advice from Somerley in this Composite Document, which contains its advice and recommendation to us in respect of the Partial Offer, as well as the principal factors and reasons for its advice and recommendation.

Having considered the factors and reasons considered by, and the opinion of, Somerley as stated in the letter from Somerley in this Composite Document, we are of the opinion that the terms of the Partial Offer are fair and reasonable so far as the Qualifying Shareholders are concerned. We recommend that (i) the Qualifying Shareholders approve the Partial Offer; and (ii) the Qualifying Shareholders accept the Partial Offer.

Notwithstanding our recommendation, the Qualifying Shareholders, in particular those who may wish to realise their investment in the Shares, are reminded to monitor the market price and liquidity of the Shares closely during the period of the Partial Offer. If during the period of the Partial Offer, it transpires that the market price of the Shares exceeds the Offer Price and the sales proceeds (net of transaction costs) exceed the net proceeds receivable under the Partial Offer, the Qualifying Shareholders may, if they are able to do so, seek to sell their Shares in the market instead of accepting the Partial Offer. However, if market conditions do not allow for disposal of Shares over the Offer Price or if it is believed that the price of the Shares may not exceed the Offer Price in the medium term, those Qualifying Shareholders who wish to sell more than the 2.82% of
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their holdings which may be taken up under the terms of the Partial Offer should consider tendering more than 2.82% of their total holdings in the Shares. On the other hand, for those Qualifying Shareholders who, after considering the information contained in this Composite Document, are attracted by the future prospects of the Group following the Partial Offer, they may consider retaining all or part of their Shares.

Yours faithfully,
For and on behalf of the Independent Board Committee

PCCW Limited

Aman MEHTA
TSE Sze Wing, Edmund
LI Fushen
MAI Yanzhou
ZHU Kebin
WEI Zhe, David
Frances Waikwun WONG
Bryce Wayne LEE
Lars Eric Nils RODERT
David Christopher CHANCE
David Lawrence HERZOG