

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



**SHUN CHEONG HOLDINGS LIMITED**

**順昌集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 650)**

[●] 2016

*To the Independent Shareholders*

Dear Sirs or Madam,

**SPECIAL DEAL, CONNECTED TRANSACTION AND VERY SUBSTANTIAL DISPOSAL  
IN RELATION TO THE DIVESTMENT OF 100% OF THE SHARES IN  
AYKENS HOLDINGS LIMITED AND HOPLAND ENTERPRISES LIMITED**

We refer to the circular to the Shareholders dated [●] 2016 (the “Circular”), of which this letter forms part. Unless otherwise indicated herein or the context requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the section headed “Definitions” in the Circular.

We have been established by the Board to consider the terms of the Divestment and to advise the Independent Shareholders as to (i) whether the Divestment is in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole, (ii) whether the terms of the Divestment are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and (iii) the voting action that should be taken.

The Independent Financial Advisor has been appointed to advise the Independent Board Committee and the Independent Shareholders as to (i) whether the Divestment is in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole, (ii) whether the terms of the Divestment are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and the (iii) voting action that should be taken.

We wish to draw your attention to the letter from the Board set out in the section headed “Letter from the Board” in the Circular and the letter of advice from the Independent Financial Advisor as set out in the section headed “Letter from the Independent Financial Advisor” in the Circular.

Having considered, among other matters, the principal factors and reasons considered by and the opinion of the Independent Financial Advisor as set out in its letter of advice, we consider that the Divestment is on normal commercial terms and is fair and reasonable so far as the Company and the Independent Shareholders are concerned. We also consider that the

\* *For identification purposes only*

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entering into of the Divestment Agreement, while not in the ordinary and usual course of business of the Company because of its "one off" nature, is nevertheless in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Divestment, particulars of which are set out in the Notice of SGM set out on pages SGM-1 to SGM-4 of the Circular.

Yours faithfully,

For and on behalf of

**INDEPENDENT BOARD COMMITTEE**

**Prof. YE Jianping**

*Independent*

*Non-executive Director*

**Mr. PALASCHUK Derek Myles**

*Independent*

*Non-executive Director*

**Prof. CHEN Zhiwu**

*Independent*

*Non-executive Director*