



*(incorporated in Bermuda with limited liability)*  
**(Stock Code: 1768)**

30 August 2016

*To the Scheme Shareholders and the RSU Holders*

Dear Sir or Madam,

**(1) PROPOSED PRIVATISATION OF  
BRACELL LIMITED  
BY BHL LIMITED BY WAY OF  
A SCHEME OF ARRANGEMENT  
UNDER SECTION 99 OF THE COMPANIES ACT OF BERMUDA  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
BRACELL LIMITED**

We refer to the document dated 30 August 2016 jointly issued by the Offeror and the Company in relation to the Proposal and the RSU Offer (the “**Scheme Document**”), of which this letter forms part. Terms defined in the Scheme Document shall have the same meanings in this letter unless the context otherwise requires.

We, being all the independent non-executive Directors, have been appointed by the Board as members of the Independent Board Committee to give a recommendation to the Scheme Shareholders and the RSU Holders in respect of the Proposal and the RSU Offer.

Rothschild (Hong Kong) Limited (“**Rothschild**”) has been appointed, with our approval, as the Independent Financial Adviser to advise us in respect of the Proposal and the RSU Offer.

Having considered (a) the reasons for, and the benefits of, the Proposal and the RSU Offer and their effects as set out in the Scheme Document and (b) the terms of the Proposal and the RSU Offer and having taken into account the advice of Rothschild, and in particular, the factors, reasons and recommendations set out in the letter from Rothschild, we consider that the terms of the Proposal and the RSU Offer are fair and reasonable so far as the Scheme Shareholders and the RSU Holders are concerned.

Accordingly, we recommend that:

- (a) the Scheme Shareholders vote in favour of the resolution to approve the Scheme at the Court Meeting;
- (b) the Shareholders vote in favour of the special resolution to approve the implementation of the Scheme at the SGM; and
- (c) the RSU Holders accept the RSU Offer.

We draw the attention of the Scheme Shareholders and the RSU Holders to (1) the letter from the Board set out on pages 1 to 5 of the Scheme Document, (2) the Explanatory Statement set out on pages 38 to 60 of the Scheme Document and (3) the letter from Rothschild, which sets out the factors and reasons taken into account in arriving at its advice to the Independent Board Committee, set out on pages 8 to 37 of the Scheme Document.

Yours faithfully,  
**Independent Board Committee**



**John Jeffrey YING**



**Jeffrey LAM Kin Fung**



**David YU Hon To**



**LIM Ah Doo**



**LOW Weng Keong**



**Armin MEYER**