

SIM Technology Group Limited

2012

To the Shareholders and, for information only, the holders of the Share Options

Dear Sir or Madam,

**(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE
FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE**

(II) APPLICATION FOR WHITEWASH WAIVER

AND

(III) NOTICE OF SPECIAL GENERAL MEETING

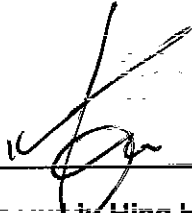
We refer to the "Letter from the Board" set out in the circular dated 2012 (the "Circular") of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed as the Independent Board Committee to consider the Whitewash Waiver and to advise the Independent Shareholders as to the fairness and reasonableness of the Whitewash Waiver and to recommend whether or not the Independent Shareholders should vote for the resolution to be proposed at the SGM to approve the Whitewash Waiver. Altus Capital Limited has been appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Whitewash Waiver.

We wish to draw your attention to the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which contains its advice to us in relation to the Whitewash Waiver as set out in the Circular. We also draw your attention to the Letter from the Board.

Having taken into account principal factors and reasons considered by and the opinion of the independent Financial Adviser as stated in its letter of advice, we are of the view that the Rights Issue is a fair and reasonable method for the Company to obtain long-term capital, and are of the view that the Whitewash Waiver, which is to facilitate the implementation of the Rights Issue, is fair and reasonable and in the interests of the Company and the Shareholders as a whole. We therefore recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Whitewash Waiver.

Yours faithfully,
For and on behalf of
Independent Board Committee



Lia Hing Hung

Xie Linzhen

Dong Yunting

Independent non-executive Directors

Yours faithfully,
For and on behalf of
Independent Board Committee



Liu Hing Hung

Xie Linzhen

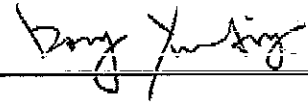
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