

SHENG TANG HOLDINGS LIMITED

聖唐控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8305)

31 October 2025

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION PROPOSED ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE FOR DEBT CAPITALISATION

We refer to the circular of the Company dated 31 October 2025 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

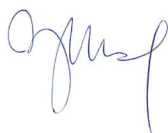
We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the Capitalisation Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Red Sun Capital Limited has been appointed to act as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. We wish to draw your attention to (i) the letter of advice from the Independent Financial Adviser, the details of which (including the principal factors and reasons the Independent Financial Adviser has taken into consideration) are set out on pages 19 to 38 of the Circular; and (ii) the letter from the Board as set out on pages 4 to 16 of the Circular.

Having taken into account the terms of the Capitalisation Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate), and the advice from the Independent Financial Adviser, we are of the opinion that although the Debt Capitalisation is not conducted in the ordinary and usual course of business of the Group, the terms of the Capitalisation Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) are on normal commercial terms which is fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Capitalisation Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate).

Yours faithfully,
the Independent Board Committee

Dr. Ip Wai Hung



*Independent non-executive
Director*

Mr. Ko, Wilson Wai Shun



*Independent non-executive
Director*

Mr. Chan Chi Hang



*Independent non-executive
Director*