



BEP INTERNATIONAL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 2326)

8 October 2007

To the Independent Shareholders and Optionholder

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS
BY BARON CAPITAL LIMITED
ON BEHALF OF BIG JUMP INVESTMENTS LIMITED
TO ACQUIRE ALL ISSUED SHARES IN
BEP INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY BIG JUMP INVESTMENTS LIMITED
OR PARTIES ACTING IN CONCERT WITH IT) AND
FOR THE CANCELLATION OF ALL OUTSTANDING SHARE OPTIONS**

INTRODUCTION

We refer to the composite offer and response document of the Company dated 8 October 2007 (the "Composite Offer Document"), of which this letter forms part. Terms defined in the Composite Offer Document shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board to form the Independent Board Committee to consider the terms of the Offers and to make recommendations to the Independent Shareholders and Optionholder in connection with the Offers. We have considered whether the terms of the Offers are fair and reasonable so far as the Independent Shareholders and Optionholder are concerned. Veda Capital has been appointed as the independent financial adviser to advise us in respect of the terms of the Offers.

We wish to draw your attention to the letter from the Board, the "Letter from Baron Capital", the "Letter from Veda Capital" and the additional information set out in the appendices to the Composite Offer Document as set out in the Composite Offer Document.

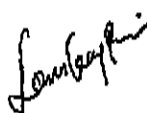
RECOMMENDATION

Having considered the principal factors and reasons considered by, and the advice of Veda Capital as set out in their letter of advice, we consider that the terms of the Offers are not fair and reasonable so far as the Independent Shareholders and Optionholder are concerned. Accordingly, we recommend the Independent Shareholders and Optionholder not to accept the Offers.

Notwithstanding the above, we wish to draw your attention to further advice from Veda Capital as set out in their letter of advice that, there is no certainty that the Shares will continue to trade in excess of the Offer Price during and after the Offer Period. On the other hand, given the low liquidity of the Shares, Veda Capital consider that despite the Offer Price represents a significant discount to the prevailing market price of the Shares, the Independent Shareholders who may wish to realize their investment in the Company, especially those with relatively sizeable shareholdings, might not be able to do so without having an adverse impact on the market price level of the Shares. Therefore, Veda Capital consider that the Share Offer provides an alternative for the Independent Shareholders who would like to realize their investments in the Shares. Nevertheless, Independent Shareholders who intend to dispose part or all of their Shares are reminded to closely monitor the market price and the liquidity of the Shares during the Offer Period and consider selling their Shares in the open market, instead of accepting the Share Offer, if the net proceeds from the disposal of such Shares in the open market would exceed that receivable under the Share Offer.

We also wish to draw the attention of the Optionholder to the paragraph headed "Option Offer" in the "Letter from Veda Capital" containing details of the recommendation of Veda Capital regarding the Option Offer.

Yours faithfully,
The Independent Board Committee of
BEP INTERNATIONAL HOLDINGS LIMITED


Hong Yee Kwong, Paul

Lam King Pul


Wu Tai Cheung

Independent non-executive Directors

RECOMMENDATION

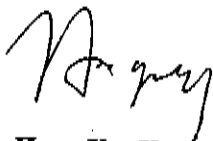
Having considered the principal factors and reasons considered by, and the advice of Veda Capital as set out in their letter of advice, we consider that the terms of the Offers are not fair and reasonable so far as the Independent Shareholders and Optionholder are concerned. Accordingly, we recommend the Independent Shareholders and Optionholder not to accept the Offers.

Notwithstanding the above, we wish to draw your attention to further advice from Veda Capital as set out in their letter of advice that, there is no certainty that the Shares will continue to trade in excess of the Offer Price during and after the Offer Period. On the other hand, given the low liquidity of the Shares, Veda Capital consider that despite the Offer Price represents a significant discount to the prevailing market price of the Shares, the Independent Shareholders who may wish to realize their investment in the Company, especially those with relatively sizeable shareholdings, might not be able to do so without having an adverse impact on the market price level of the Shares. Therefore, Veda Capital consider that the Share Offer provides an alternative for the Independent Shareholders who would like to realize their investments in the Shares. Nevertheless, Independent Shareholders who intend to dispose part or all of their Shares are reminded to closely monitor the market price and the liquidity of the Shares during the Offer Period and consider selling their Shares in the open market, instead of accepting the Share Offer, if the net proceeds from the disposal of such Shares in the open market would exceed that receivable under the Share Offer.

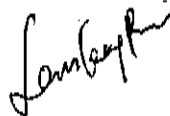
We also wish to draw the attention of the Optionholder to the paragraph headed "Option Offer" in the "Letter from Veda Capital" containing details of the recommendation of Veda Capital regarding the Option Offer.

Yours faithfully,

The Independent Board Committee of
BEP INTERNATIONAL HOLDINGS LIMITED



Hong Yee Kwong, Paul



Lam King Pui

Wu Tai Cheung

Independent non-executive Directors