



Integrated Waste Solutions Group Holdings Limited

綜合環保集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(stock code: 923)

20 August 2014

To the Independent Shareholders

Dear Sir or Madam,

**(1) PROPOSED OPEN OFFER OF NOT LESS THAN 2,411,167,000 OFFER
SHARES AND NOT MORE THAN 2,424,216,600 OFFER SHARES
ON THE BASIS OF ONE OFFER SHARE FOR
EVERY ONE SHARE HELD ON THE RECORD DATE; AND
(2) APPLICATION FOR WHITEWASH WAIVER**

We refer to the circular of the Company dated 20 August 2014 (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.

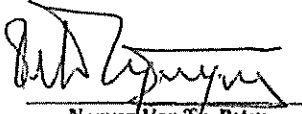
We have been appointed by the Board to advise the Independent Shareholders as to whether the terms of the Open Offer, the Underwriting Agreement, the CTF Undertaking and the Whitewash Waiver are fair and reasonable insofar as the Independent Shareholders are concerned and are in the interests of the Company and the Independent Shareholders as a whole, and to recommend the Independent Shareholders whether or not they should vote for or against the resolutions to be proposed at the EGM to approve the Open Offer, the Underwriting Agreement, the CTF Undertaking and the Whitewash Waiver. Veda Capital Limited has been appointed as the Independent Financial Adviser to advise you and us in this respect.

Your attention is drawn to the “Letter from the Board” set out in the Circular and the “Letter from the Independent Financial Adviser” as set out in the Circular which contains its advice and recommendation to us in respect of the Open Offer, the Underwriting Agreement, the CTF Undertaking and the Whitewash Waiver, as well as the principal factors and reasons for its advice and recommendation.

Having taken into account the principal reasons and factors considered by, and the advice of, the Independent Financial Adviser as set out in its letter of advice to you and us on pages 40 to 60 of the Circular, we are of the opinion that the terms of the Open Offer, the Underwriting Agreement, the CTF Undertaking and the Whitewash Waiver are on normal commercial terms and are fair and reasonable insofar as the Company and the Independent Shareholders are concerned and are in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Open Offer, the Underwriting Agreement, the CTF Undertaking and the Whitewash Waiver.

** Chinese name for identification purpose*

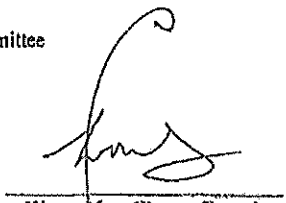
Yours faithfully,
For and on behalf of the Independent Board Committee



Nguyen Van Tu, Peter
*Independent non-executive
Director*



Chow Shiu Wing, Joseph
*Independent non-executive
Director*



Wong Man Chung, Francis
*Independent non-executive
Director*