

December 24, 2012

To all shareholders,

Sanyang Industry successfully convened its AGM on December 24, 2012 with the key agenda items – recognition of 2011 audited financial results and distribution of 2011 earnings – gaining majority shareholder approval. Though we regret the attempts of a limited number of dissident shareholders to disrupt the proceedings, we greatly appreciate this show of support from our loyal shareholders and investors. We, Sanyang management, accept this mandate from our shareholders and will do our utmost to meet your highest expectations in the future.

Regretfully, some very critical agenda items, which were designed to enhance corporate governance and to strengthen management's ability to invest in the long-term success of Sanyang Industry's core business, failed to pass due to, in our opinion, misguided effort from dissident shareholders. These agenda items, which were supported by well-known global proxy advisory organizations like Glass Lewis, included measures to: a) add Independent Directors to the Board; b) increase balance sheet flexibility via an increase in the Company's registered capital; and lastly c) replace Board Director Wu Chin-Yuan with a truly independent and qualified financial industry professional, Ms. Judy Yeh. For our part, we will work tirelessly to earn your continued support by delivering consistent and sustainable improvement in shareholder returns. We also aim to build a corporate governance regime that will set high standards of conduct and that will look out for the best interests of ALL shareholders. Furthermore, though we are very excited about the potential for significant enhancement to shareholders value from the development of our Neihu property, we will never allow our property development efforts to distract us from our key focus, the profitable development and growth of our core business activities.

Last but not the least, we are gratified by your continuous support. We pledge that we will strive to communicate with our shareholders on a regular basis with the aim of delivering better and better report cards. I look forward to hearing more from you in the future. Wishing You Joyous Holidays and a Happy New Year!

Sincerely yours,

Shi H. Huang

Chairman of the Board