

EXIT OFFER

in connection with

THE DIRECTED DELISTING OF CHINA POWERPLUS LIMITED FROM THE OFFICIAL LIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

by

APPLE COVE LIMITED

(Incorporated in the British Virgin Islands)
(Company Number 1788613)

to acquire all the issued ordinary shares in the capital of

CHINA POWERPLUS LIMITED

(Incorporated in Republic of Singapore)
(Company Registration No. 200208614Z)

DESPATCH OF NOTICE RELATING TO COMPULSORY ACQUISITION PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT (CAP. 50)

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning in the announcements dated 9 May 2014, 25 June 2014, 22 July 2014 and 25 July 2014 (the "Announcements").

1. INTRODUCTION

Apple Cove Limited (the "**Offeror**") refers to:

- (a) the exit offer letter ("**Exit Offer Letter**") dated 20 June 2014 in connection with the exit offer (the "**Exit Offer**") by the Offeror to acquire all the issued ordinary shares ("**Shares**") of China Powerplus Limited (the "**Company**"); and
- (b) the announcement dated 25 July 2014 (the "**Close of Exit Offer Announcement**") in relation to, *inter alia*, the close of the Exit Offer.

2. COMPULSORY ACQUISITION

As stated in the Close of Exit Offer Announcement, the Offeror is entitled to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), and intends to exercise its right of compulsory acquisition to acquire the Shares of Shareholders who have not accepted the Exit Offer prior to the close of the Exit Offer (the "**Dissenting Shareholders**") at the Exit Offer Price of S\$0.035 in cash for each Offer Share.

In connection therewith, the Offeror wishes to announce that it has today despatched to the Dissenting Shareholders the following documents:

- (a) A cover letter to the Dissenting Shareholders (the “**Letter to Dissenting Shareholders**”), with regards to, *inter alia*, the Offeror's exercise of its right of compulsory acquisition pursuant to Section 215(1) of the Companies Act; and
- (b) the relevant forms prescribed under the Companies Act in relation to Sections 215(1) and 215(3) of the Companies Act, namely, Form 57 (“**Form 57**”) and Form 58 (“**Form 58**”).

Copies of the Letter to Dissenting Shareholders, Form 57 and Form 58 are attached to this announcement.

3. GENERAL

Shareholders who are in any doubt in relation to the matters referred to in this announcement should consult their stockbroker, bank manager, solicitor or other professional adviser immediately.

4. RESPONSIBILITY STATEMENT

The Offeror accepts full responsibility for the accuracy of the information given in this announcement (other than those relating to the Company) and confirms after making all reasonable enquiries that, to the best of its knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Exit Offer, and the Offeror is not aware of any facts, the omission of which would make any statement in this announcement misleading. The Offeror accepts responsibility accordingly. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Offeror has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

APPLE COVE LIMITED

Guo Dianshan
Director
1 August 2014

APPLE COVE LIMITED

BVI COMPANY NUMBER: 1788613

1 August 2014

To: The Shareholders of **CHINA POWERPLUS LIMITED** in respect of the Exit Offer

Dear Shareholder

Compulsory Acquisition of Shares in China Powerplus Limited ("Company") pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore by Apple Cove Limited ("Offeror")

1. INTRODUCTION

- 1.1 **Exit Offer Letter.** We refer to the exit offer letter dated 20 June 2014 (the "**Exit Offer Letter**") in issued by the Offeror in connection with the directed delisting of the Company from the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") pursuant to Rule 1315 of the listing manual of the SGX-ST and the exit offer made by the Offeror pursuant to Rules 1306 and 1309 of the listing manual of the SGX-ST. Unless otherwise defined, all capitalised terms used in this letter (the "**Letter**") and not defined herein shall have the same meanings given to them in the Exit Offer Letter.

If you have already (i) accepted the Exit Offer in respect of all your Shares by completing and returning a valid relevant Acceptance Form; or (ii) sold all your Shares on the SGX-ST prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (as defined below).

- 1.2 **Close of Exit Offer.** The Offeror had on 25 July 2014 announced that the Exit Offer has closed as at 5.30 p.m. on 25 July 2014 (the "**Extended Closing Date**"). Accordingly, the Exit Offer is no longer open for acceptance and any acceptances received thereafter will be rejected.
- 1.3 **Holdings of Shares.** As at the Extended Closing Date, we had received valid acceptances amounting to an aggregate of 393,891,464 Shares, representing approximately 92.72% of all the Shares¹.
- 1.4 **Compulsory Acquisition.** As we have received valid acceptances pursuant to the Exit Offer of not less than 90% of the Shares, we are entitled, and as stated in the Exit Offer Letter, we intend to exercise our right of compulsory acquisition under Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), at the Exit Offer Price of S\$0.035 in cash for each remaining Share in respect of which acceptances have not been received by us pursuant to the Exit Offer.
- 1.5 **General.** This letter is issued by the Offeror and is addressed to the Shareholders who have not accepted the Exit Offer. If you are in any doubt about any of the matters referred to in this letter, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately.

¹ Unless otherwise stated, references in this letter to percentages or total number of Shares are based on a total of 424,800,000 Shares.

APPLE COVE LIMITED

BVI COMPANY NUMBER: 1788613

2. Compulsory Acquisition under Section 215(1) of the Companies Act

- 2.1 **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (the “**CDP**”) and/or Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Registrar**”), you have not accepted the Exit Offer. Accordingly, we are writing to inform you that we are exercising our right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all the Shares held by you at the Exit Offer Price of a cash consideration of S\$0.035 for each Share (the “**Consideration**”) that you own. We enclose, for this purpose a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (the “**Form 57**”). You are advised to read this letter in conjunction with the Form 57.
- 2.2 **Compulsory Acquisition.** We will exercise our right of compulsory acquisition to acquire all the Shares held by you on a date (the “**Transfer Date**”) after 1 September, being after the expiry of one (1) month from the date on which this Form 57 is given, subject to and on the terms set out in the enclosed Form 57.
- 2.3 **Registration of Transfer.** In accordance with, and subject to, the provisions of Section 215(1) of the Companies Act, upon our payment of the Consideration to the Company on the Transfer Date, the Company will cause to be transferred to us all the Shares held by you and register us as the holder of all those Shares as soon as practicable. The Consideration will be held by the Company in trust for you in a separate bank account to be established by the Company and paid to you in accordance with the settlement procedures set out in paragraph 2.4 below.
- 2.4 **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in the enclosed Form 57, as soon as practicable after the Transfer Date:
- (a) if your Shares are held through a securities account maintained with CDP, CDP will, on behalf of the Company, despatch remittances in the form of cheques for the appropriate amount of the Consideration payable in respect of your Shares to you by ordinary post, at your own risk, to your address as it appears in the records of CDP, or by such other manner as you may have agreed with CDP for the payment of any cash distributions; or
 - (b) if your Shares are held in scrip form, the Registrar will, on behalf of the Company, despatch a cheque for the appropriate amount of the Consideration payable in respect of your Shares to you by registered post, at your own risk, to your address as it appears in the register of holders of the Shares, as maintained by the Registrar.
- 2.5 **Action.** No action needs to be taken by you in relation to Form 57 to entitle you to payment, which will be made to you in accordance with paragraphs 2.3 and 2.4 above.

APPLE COVE LIMITED

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3. Rights under Section 215(3) of the Companies Act

- 3.1 **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Shares at the Exit Offer Price. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (the **"Form 58"**) is enclosed with this letter. You may, within three (3) months from the date of the Form 58 (that is, by 1 November 2014), give notice to require us to acquire your Shares and the Offeror shall be entitled and bound to acquire your Shares at the Consideration.
- 3.2 **Action.** As we would be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act as described in paragraph 2 above, **you need NOT take any action in relation to the Form 58.** Shareholders who nonetheless wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

4. Responsibility Statement

The directors of the Offeror (including those who may have delegated supervision of this letter) have taken all reasonable care to ensure that the facts stated and opinions expressed in this letter (other than those relating to the Company and its subsidiaries) are fair and accurate and that no material facts have been omitted from this letter, and they jointly and severally accept responsibility accordingly.

Where any information in this letter has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this letter.

Yours faithfully



For and on behalf of
Apple Cove Limited
Guo Danyan
Director

1 August 2014

**THE COMPANIES ACT
(CHAPTER 50)
THE COMPANIES REGULATIONS
SECTION 215(1)/
REGULATION 11(1)
NOTICE TO DISSENTING SHAREHOLDER**

FORM

57

Name of Company : **China Powerplus Limited**
Company No. : 200208614Z
To : The Dissenting Shareholders of China Powerplus Limited

In this notice –

China Powerplus Limited is referred to as "the transferor company", and

Apple Cove Limited is referred to as "the transferee company".

On 20 June 2014 the transferee company made an offer to all the holders of ordinary shares in the transferor company at an exit offer price of S\$0.035 in cash for each share.

Up to 25 July 2014 (being a date within 4 months after the making of the offer in that behalf by the transferee company), the offer was approved by the holders of not less than 90% of the total number of ordinary shares in the transferor company (other than shares already held at the date of the offer by, or by a nominee for, the transferee company or its related corporations).

The transferee company hereby gives you notice, in pursuance of section 215 of the Companies Act, that it desires to acquire the ordinary shares held by you in the transferor company.

You are entitled within one month after the receipt of this notice to require the transferee company, by demand in writing served on it, to supply you with a statement of the names and addresses of all other dissenting shareholders, and the transferee company will not be entitled or bound to acquire the shares of those dissenting shareholders until 14 days after the posting to you of the statement of those names and addresses.

Unless upon an application made to the High Court by you –

- (a) on or before 1 September 2014 (being one month from the date of this notice); or
- (b) on a date (within 14 days of a statement being supplied to you pursuant to Section 215(2) of the Companies Act),

whichever is the later date, the High Court orders otherwise, the transferee company will, in pursuance of those provisions, be entitled and bound to acquire the ordinary shares held by you in the transferor company on the terms, which, under the scheme or contract to which the abovementioned offer relates, the shares of the approving ordinary shareholders in the transferor company are to be transferred to the transferee company.

Dated this 1st day of August 2014

For and on behalf of **APPLE COVE LIMITED**



Guo Dianyan
Director

**THE COMPANIES ACT
(CHAPTER 50)
THE COMPANIES REGULATIONS
SECTION 215(3)/
REGULATION 11(2)
NOTICE TO NON-ASSENTING SHAREHOLDER**

FORM

58

Name of Company : **China Powerplus Limited**
Company No. : 200208614Z
To : The Non-Assenting Shareholders of China Powerplus Limited

In this notice –

China Powerplus Limited is referred to as “the transferor company”, and

Apple Cove Limited is referred to as “the transferee company”.

A scheme or contract involving the transfer of ordinary shares in the transferor company to the transferee company was, up to 25 July 2014 (being a date within 4 months after the making of the offer in that behalf by the transferee company), approved by the holders of not less than 90% of the total number of ordinary shares in the transferor company (other than shares already held at the date of the offer by, or by a nominee for, the transferee company or its related corporations).

In pursuance of that scheme or contract, an aggregate of 393,891,464 ordinary shares representing approximately 92.72% of the issued share capital of the transferor company were from 20 June 2014 to 25 July 2014 transferred to the transferee company or its nominee.

The transferee company hereby gives you notice, in pursuance of section 215 of the Companies Act, that those shares together with such other shares in the transferor company as were held by, or by a nominee for, the transferee company or its related corporations at the last-mentioned date comprise or include 90% of the total number of the ordinary shares in the transferor company.

In pursuance of the abovementioned provisions you may, within 3 months from the giving of this notice, give notice that you require the transferee company to acquire your holding of ordinary shares in the transferor company, and if you give that notice the transferee company will be entitled and bound to acquire those shares on the terms on which under the scheme or contract the shares of the approving shareholders were transferred to it, or on such other terms as are agreed or as the High Court on application made to it by you or by the transferee company thinks fit to enter.

Dated this 1st day of August 2014

For and on behalf of **APPLE COVE LIMITED**



Guo Dianyan
Director