

EXIT OFFER LETTER DATED 15 APRIL 2014

THIS EXIT OFFER LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about the matters contained in this Exit Offer Letter or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. Asiasons WFG Capital Pte Ltd is acting for and on behalf of Asia New Energy Holding Limited and does not purport to advise any Shareholder (as defined herein) or any other person.

If you have sold or transferred all your Shares (as defined herein) held through CDP (as defined herein), you need not forward this Exit Offer Letter and the accompanying FAA (as defined herein) to the purchaser or transferee, as CDP will arrange for a separate Exit Offer Letter and FAA to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not held through CDP, you should immediately hand this Exit Offer Letter and the accompanying FAT (as defined herein) to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale, for onward transmission to the purchaser or transferee.

The views of the Directors (as defined herein) and the IFA (as defined herein) on the Delisting Proposal (as defined herein) and the Exit Offer (as defined herein) are set out in the Delisting Circular (as defined herein), which is despatched together with this Exit Offer Letter. You may wish to consider their views before taking any action in relation to the Exit Offer.

The SGX-ST (as defined herein) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Exit Offer Letter.

EXIT OFFER

in connection with

**THE PROPOSED VOLUNTARY DELISTING OF ASIA POWER CORPORATION LIMITED FROM
THE OFFICIAL LIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

by



ASIASONS WFG

亚昇威豪金融

ASIASONS WFG CAPITAL PTE LTD

(Company Registration No.: 200002789M)

(Incorporated in the Republic of Singapore)

for and on behalf of

ASIA NEW ENERGY HOLDING LIMITED

(Company Number: 5108)

(Incorporated in Samoa)

to acquire all the issued ordinary shares in the capital of

ASIA POWER CORPORATION LIMITED

(Company Registration No.: 199701487C)

(Incorporated in the Republic of Singapore)

other than those Shares held by Asia Power Corporation Limited as treasury shares and those Shares held, directly or indirectly, by Asia New Energy Holding Limited as at the date of the Offer

ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE EXIT OFFER AT 5.30 P.M. ON 14 MAY 2014 OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF ASIA NEW ENERGY HOLDING LIMITED.



ASIASONS WFG
亞昇威豪金融

ASIASONS WFG CAPITAL PTE LTD

(Company Registration No.: 200002789M)
(Incorporated in the Republic of Singapore)

22 Cross Street
#03-54/61 China Square Central
Singapore 048421

15 April 2014

To: The Shareholders of Asia Power Corporation Limited

Dear Sir/Madam

THE PROPOSED VOLUNTARY DELISTING OF ASIA POWER CORPORATION LIMITED – EXIT OFFER LETTER

1. INTRODUCTION

1.1 The Previous Offer

Asiasons WFG Capital Pte Ltd (“**Asiasons WFG Capital**”), for and on behalf of Asia New Energy Holding Limited (the “**Offeror**”), made a voluntary conditional cash offer on 13 November 2013 (the “**Previous Offer**”) to acquire all the issued ordinary shares in the capital of the Company (the “**Shares**”)¹, other than those Shares held by the Asia Power Corporation Limited (the “**Company**”) as treasury shares and those Shares held, directly or indirectly, by the Offeror.

The Previous Offer was declared to be unconditional in all respects on 22 January 2014. As at the close of the Previous Offer on 11 February 2014, the Offeror owned and controlled in aggregate 416,332,352 Shares, representing approximately 89.36% of the total number of issued Shares.

Following the close of the Previous Offer, the Offeror made various on-market purchases, pursuant to which the Offeror’s shareholding interest in the Company increased to 417,333,352 Shares, representing approximately 89.57% of the total number of issued Shares as at the Latest Practicable Date.

As stated in the offer document dated 29 November 2013 despatched by Asiasons WFG Capital, for and on behalf of the Offeror, to the shareholders of the Company (the “**Shareholders**”) in connection with the Previous Offer, it is not the intention of the Offeror to preserve the listing status of the Company and the Offeror has no intention to take steps for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, *inter alia*, less than 10% of the total number of Shares (excluding any Shares held by the Company as treasury shares) are held in public hands.

1.2 Joint Announcement

On 24 March 2014 (the “**Joint Announcement Date**”), the Company and the Offeror jointly announced that the Offeror has presented to the board of directors of the Company (the “**Directors**”) a formal proposal (the “**Delisting Proposal**”) to seek the voluntary delisting of the Company (the “**Delisting**”) from the Official List of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the “**Listing Manual**”).

¹ In this Exit Offer Letter, unless otherwise stated, all references to the total number of issued Shares shall be to 465,922,022 Shares.

1.3 Extraordinary General Meeting

The Company will be convening an extraordinary general meeting (the “**EGM**”) on 30 April 2014 to seek the approval of the Shareholders for the Delisting.

1.4 Exit Offer Letter

This Exit Offer Letter contains the terms of the exit offer (“**Exit Offer**”) made by Asiasons WFG Capital, for and on behalf of the Offeror, to acquire all the Shares, other than those Shares held by the Company as treasury shares and those Shares held directly or indirectly by the Offeror as at the date of the Exit Offer (the “**Offer Shares**”).

Please note that the Exit Offer is conditional upon the Approval of Delisting Resolution Condition (as defined below) being fulfilled. If such condition is not fulfilled, the Delisting will not proceed, the Company will remain listed on the Official List of the SGX-ST and the Exit Offer will lapse. Please refer to paragraph 2.2 of this Exit Offer Letter for further details.

The Exit Offer may only be accepted by the relevant Shareholders to whom this Exit Offer Letter is addressed.

This Exit Offer Letter, together with the Form of Acceptance and Authorisation for Offer Shares (“**FAA**”) and/or the Form of Acceptance and Transfer for Offer Shares (“**FAT**”), as the case may be (collectively, the “**Acceptance Forms**” and each, an “**Acceptance Form**”), are despatched to you by Asiasons WFG Capital, for and on behalf of the Offeror.

1.5 Delisting Circular

A copy of the circular issued by the Company to the Shareholders in relation to the Delisting (“**Delisting Circular**”) is despatched together with this Exit Offer Letter.

An electronic copy of the Delisting Circular is also available on the website of the SGX-ST at www.sgx.com.

1.6 Terms and References

The expression “**acting in concert**” shall have the meaning ascribed to it in the Singapore Code on Take-overs and Mergers (the “**Code**”). The term “**depositor**” shall have the meaning ascribed to it in Section 130A of the Companies Act (Chapter 50 of Singapore) (the “**Companies Act**”).

All references to a time of day or date in this Exit Offer Letter are references to Singapore time and date, unless otherwise stated. For the purposes of this Exit Offer Letter, the latest practicable date prior to the printing of this Exit Offer Letter is 7 April 2014 (the “**Latest Practicable Date**”).

The term “**FY**” shall mean the financial year of the Offeror ended or ending (as the case may be) on 31 December of a particular year as stated.

1.7 Caution

Please read this Exit Offer Letter and the Delisting Circular (including (a) the advice of Stirling Coleman Capital Limited (“**IFA**”), the independent financial adviser to the Directors who are considered to be independent for the purposes of making recommendation to the Shareholders on the Delisting and Exit Offer (“**Independent Directors**”), and (b) the recommendations of the Independent Directors on the Delisting and the Exit Offer) carefully in their entirety.

2. **THE EXIT OFFER**

Asiasons WFG Capital, for and on behalf of the Offeror, hereby offers to acquire all the Offer Shares, on the terms and subject to the conditions set out in this Exit Offer Letter (including the Acceptance Forms), and on the following basis:

2.1 Consideration

For each Offer Share: S\$0.16 in cash (“Exit Offer Price**”).** The Exit Offer Price is the same as the offer price under the Previous Offer.

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares. Each Shareholder who accepts the Exit Offer will receive S\$160 for every 1,000 Offer Shares tendered for acceptance under the Exit Offer.

The Offer Shares will be acquired fully paid and free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**"), and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date). If any dividend, other distribution or return of capital is declared, paid or made by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Price by the amount of such dividend, distribution or return of capital.

Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted and sold by him as, or on behalf of, the beneficial owner(s) thereof, is fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date).

2.2 Conditions

The Delisting and the Exit Offer will be conditional on:

- (a) the resolution for the Delisting (the "**Delisting Resolution**") being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and controlling Shareholders need not abstain from voting on the Delisting Resolution); and
- (b) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM,

(collectively, the "**Approval of Delisting Resolution Condition**").

The Exit Offer is **not** conditional on a minimum number of acceptances being received by the Offeror.

Under Rule 1307 of the Listing Manual, all Shareholders (including the Offeror and parties acting in concert with the Offeror who hold Shares) are entitled to vote on the Delisting Resolution.

The Offeror, which owns 417,333,352 Shares as at the Latest Practicable Date, representing approximately 89.57% of the total number of issued Shares, is entitled to and intends to vote all its Shares in favour of the Delisting Resolution at the EGM.

An application was made by the Company to the SGX-ST to delist the Company from the Official List of the SGX-ST. The SGX-ST has in its letter dated 8 April 2014 advised that it has no objection to the Delisting, subject to compliance with Rules 1307 and 1309 of the Listing Manual. However, this is not to be taken as an indication of the merits of the Delisting.

Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

2.3 Duration

The Exit Offer is open for acceptance from the date of despatch of this Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse, and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

If the Delisting Resolution is passed by the Shareholders at the EGM, the Exit Offer will continue to be open for acceptance by the Shareholders for at least 14 days after the date of the announcement of the satisfaction of the Approval of Delisting Resolution Condition. Accordingly, the Exit Offer will close at **5:30 p.m. on 14 May 2014** or such later date(s) as may be announced from time to time by or on behalf of the Offeror ("**Closing Date**").

2.4 Procedures for Acceptance and Further Details of the Exit Offer

Appendix I of this Exit Offer Letter sets out the procedures for the acceptance of the Exit Offer and additional information on the settlement of the consideration for the Exit Offer.

3. **INFORMATION ON THE OFFEROR**

The Offeror is a company incorporated under the laws of Samoa on 1 March 1999. As at the Latest Practicable Date, the Offeror has an issued and paid-up capital of US\$1,434,900 consisting of 1,434,900 ordinary shares. As at the Latest Practicable Date, the sole director of the Offeror is Ms Lu Di who is also the sole shareholder of the Offeror.

Appendix II of this Exit Offer Letter sets out certain additional information on the Offeror.

4. **INFORMATION ON THE COMPANY**

4.1 The Company was incorporated in Singapore on 7 March 1997 and was listed on the Main Board of the SGX-ST on 9 November 1999. The Company is principally involved in the ownership, management and operation of power plants in the People's Republic of China.

4.2 The board of Directors of the Company as at the Latest Practicable Date comprises the following:

- (a) Xue Liang (Executive Chairman and Chief Executive Officer);
- (b) Wang Daxi (Executive Director);
- (c) Li Tianfei (Non-Executive Director);
- (d) Ng Fook Ai, Victor (Non-Executive and Independent Director);
- (e) Joseph He Jun (Non-Executive and Independent Director); and
- (f) Xu Jianping (Non-Executive and Independent Director).

4.3 As at the Latest Practicable Date, the Company has a total of 465,922,022 Shares.

4.4 The registered office of the Company is at 24 Raffles Place, #27-03, Clifford Centre, Singapore 048621.

5. RATIONALE FOR THE DELISTING

5.1 Low Trading Liquidity and Low Free Float

The trading liquidity of the Shares on the SGX-ST in the past year has been generally thin. The average daily trading volume of the Shares for the 12-month, six (6)-month, three (3)-month and one (1)-month periods up to and including 21 March 2014, being the last full day of trading in the Shares on the SGX-ST immediately prior to the Joint Announcement Date (the “**Last Trading Day**”) are approximately as follows:

Period prior to the Last Trading Day	Average Daily Trading Volume⁽¹⁾⁽²⁾ ('000)	Total Trading Volume ('000)
Last 12 months	229	57,705
Last six (6) months	261	32,948
Last three (3) months	87	5,424
Last one (1) month	16	313 ⁽³⁾

Notes:

(1) Source: Bloomberg L.P.

(2) The average daily trading volume is computed based on the total trading volume of the Shares on the SGX-ST, divided by the total number of days on which the SGX-ST is open for trading during the relevant periods.

(3) Of which 283,000 Shares were market acquisition made by the Offeror.

In addition, as at the Latest Practicable Date, the Offeror owns 417,333,352 Shares representing approximately 89.57% of the total number of issued Shares. This implies a free float of no greater than 10.43% of the total number of issued Shares. The Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company.

The Exit Offer will provide an exit option for those Shareholders who wish to realise their entire investment in the Shares but find it difficult to do so as a result of the low trading liquidity of the Shares and low free float of the Shares.

5.2 Compliance Costs of Maintaining Listing

In maintaining the Company's listing status, the Company incurs additional compliance and associated costs. The Company will be able to, as a non-listed entity, dispense with costs associated with complying with the SGX-ST listing requirements and other regulatory requirements as well as human resources that have to be committed for such compliance and channel its resources to its business operations.

5.3 No Need for Access to Capital Markets

A primary reason for companies to maintain a listing on the SGX-ST is to access the Singapore capital markets for funding. The Company is unlikely to require access to the Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain its listing status.

5.4 Offeror's Intention

Following the privatisation of the Company, the Offeror intends to undertake a strategic and operational review of the Company's businesses and to evaluate various strategic options, including amongst others, making synergistic acquisition and divesting assets. It is currently the intention of the Offeror to ensure continuity in the operations of the Company and its subsidiaries (“**Group**”) and to steer the Group to further growth and development. Save as disclosed above, the Offeror does not currently have any intention to make major changes to (a) the business of the Group; (b) the deployment of the fixed assets of the Group; or (c) the employment of the employees of the Group. Nonetheless, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves, and which the Offeror regards to be in the interests of the Offeror and/or the Group.

6. COMPULSORY ACQUISITION

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires 90% or more of the Shares (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer at a price equal to the Exit Offer Price.

The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.**

In addition, Shareholders who have not accepted the Exit Offer will have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares in the event that the Offeror or its nominees acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations and/or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding treasury shares).

Shareholders who have not accepted the Exit Offer and who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

Shareholders should read carefully Paragraph 4.1 of the Letter to Shareholders (under Section 4 of the Letter to Shareholders entitled “Implications of Compulsory Acquisition and Delisting for Shareholders”) set out in the Delisting Circular.

7. BENCHMARKING THE EXIT OFFER

7.1 Market Price Comparisons

The Exit Offer Price represents the following premium over the historical transacted prices of the Shares on the SGX-ST:

Description		Share Price (S\$) ⁽¹⁾	Premium over Share Price (%)
(a)	Last transacted price per Share on 7 April 2014 (being the Latest Practicable Date)	0.1500	6.67
(b)	Last transacted price per Share on 21 March 2014 (being the Last Trading Day)	0.1600	–
(c)	VWAP for the one (1)-month period prior to and including the Last Trading Day	0.1581	1.20
(d)	VWAP for the three (3)-month period prior to and including the Last Trading Day	0.1567	2.11
(e)	VWAP for the six (6)-month period prior to and including the Last Trading Day	0.1458	9.74
(f)	VWAP for the 12-month period prior to and including the Last Trading Day	0.1223	30.83

Note:

(1) Source: Bloomberg L.P..

7.2 Closing Prices of the Shares

The closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., on (a) the Latest Practicable Date was S\$0.15, and on (b) 21 March 2014, being the Last Trading Day, was S\$0.16. The highest, lowest, and last closing prices and trading volume of the Shares on the SGX-ST on a monthly basis from September 2013 to February 2014 (being the six (6) calendar months preceding the Joint Announcement Date), as reported by Bloomberg L.P., are set out below:

	Highest closing price of the month (S\$)	Lowest closing price of the month (S\$)	Last closing price of the month (S\$)	Volume of the Shares traded (‘000)
September 2013	0.096	0.074	0.096	340
October 2013	0.109	0.073	0.093	3,026
November 2013	0.153	0.078	0.153	12,766
December 2013	0.159	0.151	0.159	13,385
January 2014	0.159	0.158	0.159	2,680
February 2014	0.161	0.158	0.160	677

7.3 Highest and Lowest Closing Prices of the Shares

As reported by Bloomberg L.P., during the period commencing six (6) months preceding the Joint Announcement Date and ending on the Latest Practicable Date (both dates inclusive):

- (a) the highest closing price of the Shares on the SGX-ST was S\$0.161, which was transacted on 14 February 2014; and
- (b) the lowest closing price of the Shares on the SGX-ST was S\$0.073, which was transacted on 14 October 2013.

8. REGULATORY APPROVALS

An application was made by the Offeror to the Securities Industry Council (“**SIC**”) to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer. The SIC ruled, *inter alia*, that:

- (a) the Exit Offer is exempted from compliance with the following provisions of the Code:
 - (i) Rule 20.1 on keeping the Exit Offer open for 14 days after it is revised;
 - (ii) Rule 22 on offer timetable;
 - (iii) Rule 28 on acceptances; and
 - (iv) Rule 29 on the right of acceptors to withdraw their acceptances;
- (b) subject to the following conditions:
 - (i) disclosure in the Delisting Circular of:
 - (A) the consolidated net tangible assets value (“**NTA**”) per share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Delisting Circular; and

- (B) particulars of all known material changes as at the latest practicable date set out in the Delisting Circular which may affect the NTA per share referred to in paragraph 8(b)(i)(A) above or a statement that there are no such known material changes; and
- (ii) the Exit Offer being kept open for at least:
 - (A) 21 days after the date of the despatch of this Exit Offer Letter if this Exit Offer Letter is despatched after Shareholders' approval for the Delisting has been obtained; or
 - (B) 14 days after the date of the announcement of Shareholders' approval of the Delisting if this Exit Offer Letter is despatched on the same date as the Delisting Circular.

9. CONFIRMATION OF FINANCIAL RESOURCES

Asiasons WFG Capital, being the financial adviser of the Offeror in connection with the Exit Offer, has confirmed that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Exit Offer by the holders of the Offer Shares on the basis of the Exit Offer Price.

10. DISCLOSURES

10.1 Interests in Shares

For the purposes of this Exit Offer Letter:

"Convertible Securities" means securities convertible or exchangeable into new shares or existing shares;

"Derivatives" includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities;

"Options" means options to subscribe for or purchase new shares or existing shares; and

"Warrants" means rights to subscribe for or purchase new shares or existing shares.

Please refer to **Appendix II** to this Exit Offer Letter which sets out the interests of the Offeror, its directors and parties acting or deemed to be acting in concert with the Offeror in any (a) security which are being offered for (i.e. the Shares) which carry voting rights in the Company, or (b) Convertible Securities, Warrants, Options and Derivatives in respect of (a) (collectively, the **"APCL Securities"**) as at the Latest Practicable Date.

Save as disclosed in this Exit Offer Letter, as at the Latest Practicable Date, none of the Offeror, its directors or any of the parties acting or deemed to be acting in concert with the Offeror owns, controls or has agreed to acquire any APCL Securities.

10.2 Dealings in APCL Securities

Please refer to **Appendix II** to this Exit Offer Letter which sets out the dealings in the Relevant Securities by the Offeror during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date. Save as disclosed in this Exit Offer Letter, none of the Offeror, its director or any of the parties acting or deemed to be acting in concert with the Offeror has dealt for value in any APCL Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

10.3 Further Disclosures

Save as disclosed in this Exit Offer Letter and in the information on the Company that is publicly available (including without limitation, the annual report of the Company for the financial year ended 31 December 2012, the unaudited consolidated financial statements of the Group for FY2013 and the announcements released by the Company on the SGX-ST), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2012, being the date of the last balance sheet laid before the Shareholders in a general meeting.

Further disclosures by the Offeror are found in **Appendix II** to this Exit Offer Letter.

11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

If you hold Offer Shares that are deposited with The Central Depository (Pte) Limited ("**CDP**"), you should receive a FAA together with this Exit Offer Letter. If you have not received the FAA, you may obtain a copy of the FAA from CDP at 9 North Buona Vista Drive #01-19/20 Singapore 138588, upon production of satisfactory evidence that you are a Shareholder.

If you hold Offer Shares that are represented by share certificate(s) and are not deposited with CDP, you may request and obtain a copy of the FAT from the office of the Offeror's receiving agent, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902, upon production of satisfactory evidence that you are a Shareholder.

The Exit Offer may only be accepted by the relevant Shareholder to whom this Exit Offer Letter is addressed.

Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptance is conditional upon the Approval of Delisting Resolution Condition being fulfilled.

If you wish to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in this Exit Offer Letter and that Acceptance Form.

Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

If you hold the share certificate(s) of the Offer Shares beneficially owned by you and wish to accept the Exit Offer in respect of such Offer Shares, you **SHOULD NOT** deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive) as the "Free Balance" of your securities account (not including a securities sub-account) maintained by a depositor with CDP ("**Securities Account**"), may not be credited with the relevant number of Offer Shares in time for you to accept the relevant Exit Offer.

The detailed procedures for acceptance of the Exit Offer are set out in **Appendix I** to this Exit Offer Letter for your information.

If you decide not to accept the Exit Offer, you do not have to take any action. In the event that the Approval of Delisting Resolution Condition is fulfilled and the Company is delisted, you will continue to hold unquoted Shares in the Company as an unlisted company. If you hold Shares that are deposited with CDP, a share certificate in respect of your Shares that are deposited with CDP will be sent, by ordinary post and at your own risk, to your address as it appears in the records of CDP, after the Company has been delisted from the Official List of the SGX-ST. The share certificates belonging to CPFIS Investors (as defined below) will be forwarded to their respective CPF Agent Banks (as defined below) for their safekeeping.

12. OVERSEAS SHAREHOLDERS

The availability of the Exit Offer to the Shareholders whose addresses are outside Singapore, as shown on the Register of Members of the Company or, as the case may be, in the records of CDP (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements. **Where there are potential restrictions on sending this Exit Offer Letter and the relevant Acceptance Forms to any overseas jurisdiction, the Offeror, Asiasons WFG Capital and CDP each reserves the right not to send these documents to such overseas jurisdictions. For the avoidance of doubt, the Exit Offer is open to all Shareholders, including those to whom this Exit Offer Letter, the relevant Acceptance Forms have not been, or may not be, sent.**

Copies of this Exit Offer Letter, the relevant Acceptance Forms and any other formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction (“**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

Overseas Shareholders may, nonetheless, obtain copies of this Exit Offer Letter, the relevant Acceptance Forms and any related documents, during normal business hours up to the Closing Date, from the Offeror through its receiving agent, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902. Alternatively, an Overseas Shareholder may write in to the Offeror through M & C Services Private Limited at the address listed above to request for this Exit Offer Letter, the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder’s own risk up to three (3) market days prior to the Closing Date.

It is the responsibility of any Overseas Shareholder who wishes to (a) request for this Exit Offer Letter, the relevant Acceptance Forms and any related documents, or (b) accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, Asiasons WFG Capital, CDP and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, Asiasons WFG Capital, CDP and/or any person acting on its behalf may be required to pay. In (a) requesting for this Exit Offer Letter, the relevant Acceptance Forms and/or any related documents and/or (b) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, Asiasons WFG Capital and CDP that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

The Offeror and Asiasons WFG Capital each reserves the right to notify any matter, including the fact that the Exit Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST and if necessary, paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

13. INFORMATION RELATING TO CPFIS INVESTORS

Investors who have purchased Shares using their Central Provident Fund ("**CPF**") savings (the "**CPFIS Investors**") under the Central Provident Fund Investment Scheme ("**CPFIS**") should receive further information on how to accept the Exit Offer from their respective banks approved by CPF to be its agent banks, being DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited (collectively, the "**CPF Agent Banks**") shortly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.

CPFIS Investors who wish to accept the Exit Offer are to reply to their respective CPF Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Exit Offer will receive payment of the Exit Offer Price for their Shares in their CPFIS accounts.

14. GENERAL

14.1 Valid Acceptances

The Offeror and Asiasons WFG Capital each reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the relevant Acceptance Forms, or if made otherwise than in accordance with the provisions herein and in the instructions printed on the relevant Acceptance Forms.

14.2 Announcements / Notices

In this Exit Offer Letter, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by Asiasons WFG Capital or advertising agents for and on behalf of the Offeror to the press or the delivery of or transmission by telephone or facsimile or through SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

14.3 Governing Law and Jurisdiction

The Exit Offer, this Exit Offer Letter, the Acceptance Forms, and all acceptances of the Exit Offer and all contracts made pursuant thereto and actions taken or made or deemed to be taken or made thereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Offeror and each accepting Shareholder agree to submit to the non-exclusive jurisdiction of the Singapore courts.

14.4 No Third Party Rights

Unless expressly provided otherwise in this Exit Offer Letter and the relevant Acceptance Forms, a person who is not a party to any contracts made pursuant to the Exit Offer, this Exit Offer Letter and the relevant Acceptance Forms has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

14.5 Accidental Omission

Accidental omission to despatch this Exit Offer Letter, the Delisting Circular, and the relevant Acceptance Forms or any notice or announcement required to be given under the terms of the Exit Offer or any failure to receive the same by any person to whom the Exit Offer is made or should be made, shall not invalidate the Exit Offer in any way.

14.6 Independent Advice

The advice of the IFA to the Independent Directors, and the recommendation of the Independent Directors, on the Delisting Proposal and the Exit Offer are available in the Delisting Circular. Shareholders may wish to consider their views before taking any action in relation to the Exit Offer.

14.7 Costs and Expenses

All stamp duty and transfer fees resulting from acceptances of the Exit Offer will be paid by the Offeror.

14.8 Consent by Asiasons WFG Capital

Asiasons WFG Capital, being the financial adviser of the Offeror in connection with the Exit Offer, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion of its name in this Exit Offer Letter, and all references hereto in the form and context in which they appear in this Exit Offer Letter.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the office of Asiasons WFG Capital at 22 Cross Street, #03-54/61 China Square Central, Singapore 048421, during normal business hours for the period for which the Exit Offer remains open for acceptance:

- (a) the Memorandum and Articles of Association of the Offeror;
- (b) the Joint Announcement; and
- (c) the letter of consent of Asiasons WFG Capital referred to in paragraph 14.8 of this Exit Offer Letter.

16. RESPONSIBILITY STATEMENT

The director of the Offeror (who may have delegated detailed supervision of this Exit Offer Letter) has taken all reasonable care to ensure that the facts stated and opinions expressed in this Exit Offer Letter (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Exit Offer Letter, the omission of which would make any statement in this Exit Offer Letter (other than those relating to the Company) misleading. Where any information in this Exit Offer Letter has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the director 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 Exit Offer Letter. The director of the Offeror accepts full responsibility accordingly.

Yours faithfully,
Asiasons WFG Capital Pte Ltd

For and on behalf of
Asia New Energy Holding Limited

APPENDIX I

PROCEDURES FOR ACCEPTANCE AND OTHER DETAILS OF THE EXIT OFFER

PLEASE TAKE NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER.

1. **PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY DEPOSITORS WHOSE SECURITIES ACCOUNTS ARE AND/OR WILL BE CREDITED WITH OFFER SHARES**

(a) **Depositors whose Securities Accounts are credited with Offer Shares**

If you have Offer Shares standing to the credit of your Securities Account, you are entitled to receive this Exit Offer Letter together with the FAA. If you wish to accept the Exit Offer, you should complete and sign the accompanying FAA in accordance with the provisions and instructions in this Exit Offer Letter (including this **Appendix I**), and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Exit Offer) and submit the duly completed and signed FAA, **either by hand** to:

ASIA NEW ENERGY HOLDING LIMITED

c/o The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

or by post (in the enclosed pre-addressed envelope) at your own risk, to:

ASIA NEW ENERGY HOLDING LIMITED

c/o The Central Depository (Pte) Limited
Robinson Road Post Office
P.O. Box 1984
Singapore 903934

so as in either case to arrive not later than 5:30 p.m. on the Closing Date, being 14 May 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

If you have sold or transferred all your Offer Shares, you need not forward this Exit Offer Letter and/or the FAA to the purchaser or the transferee (the **"Purchaser"**) as arrangements will be made by CDP for a separate Exit Offer Letter and FAA to be sent to the Purchaser. Purchasers should note that CDP will, for and on behalf of the Offeror, send a copy of this Exit Offer Letter and the FAA by ordinary post at the Purchasers' own risk to their respective addresses as maintained in the records of CDP.

If you wish to accept the Exit Offer, you must insert in Part A of the FAA the number of Offer Shares in respect of which the Exit Offer is accepted, which should not exceed the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account as at 5:00 p.m. on the date of receipt by CDP (the **"Date of Receipt"**), or in the case where the Date of Receipt is on the Closing Date, 5:30 p.m. on the Closing Date, for and on behalf of the Offeror, of the relevant FAA in respect of which the Exit Offer is accepted, provided always that such Date of Receipt must fall on or before the Closing Date.

If the number of Offer Shares in respect of which the Exit Offer is accepted, as inserted by you in Part A of the FAA, exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account as at 5:00 p.m. on the Date of Receipt (or, in the case where the Date of Receipt is on the Closing Date, 5:30 p.m. on the Closing Date), or if no such number of Offer Shares is inserted in Part A of the FAA by you, then **YOU SHALL**

BE DEEMED TO HAVE ACCEPTED THE EXIT OFFER IN RESPECT OF ALL THE OFFER SHARES STANDING TO THE CREDIT OF THE "FREE BALANCE" OF YOUR SECURITIES ACCOUNT AS AT 5:00 P.M. ON THE DATE OF RECEIPT (OR IN THE CASE WHERE THE DATE OF RECEIPT IS ON THE CLOSING DATE, 5:30 P.M. ON THE CLOSING DATE), PROVIDED ALWAYS THAT THE DATE OF RECEIPT IS ON OR BEFORE THE CLOSING DATE.

(b) Depositors whose Securities Accounts will be credited with Offer Shares

If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive this Exit Offer Letter together with a FAA. You may accept the Exit Offer in respect of such Offer Shares only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions and instructions set out in paragraph 1(a) above in this **Appendix I** shall apply in the same way to your acceptance(s) in respect of such Offer Shares. If you do not receive that FAA, you may obtain such a FAA upon production of satisfactory evidence that you have purchased the Offer Shares on the SGX-ST, from The Central Depository (Pte) Limited, 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588.

If upon receipt by CDP, for and on behalf of the Offeror, of the FAA, it is established that the Offer Shares have not been, or will not be, credited to the "Free Balance" of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected and none of the Offeror, Asiasons WFG Capital or CDP accepts any responsibility or liability for the consequences of such a rejection.

IF YOU PURCHASE OFFER SHARES ON THE SGX-ST ON A DATE NEAR TO THE CLOSING DATE, YOUR ACCEPTANCE IN RESPECT OF SUCH OFFER SHARES WILL BE REJECTED IF THE "FREE BALANCE" OF YOUR SECURITIES ACCOUNT IS NOT CREDITED WITH SUCH OFFER SHARES BY 5:00 P.M. ON THE DATE OF RECEIPT OR 5:30 P.M. ON THE CLOSING DATE (IF THE FAA IS RECEIVED BY CDP ON THE CLOSING DATE). NONE OF THE OFFEROR, ASIASONS WFG CAPITAL OR CDP ACCEPTS ANY RESPONSIBILITY OR LIABILITY FOR THE CONSEQUENCES OF SUCH A REJECTION.

(c) Depositors whose Securities Accounts are and will be credited with Offer Shares

If you have Offer Shares credited to the "Free Balance" of your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to the "Free Balance" of your Securities Account, you may accept the Exit Offer in respect of the Offer Shares already standing to the credit of the "Free Balance" of your Securities Account and may accept the Exit Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions and instructions set out in paragraphs 1(a) and (b) above in this **Appendix I** shall apply in the same way to your acceptance(s) in respect of such Offer Shares which are credited and such additional Offer Shares which will be credited to the "Free Balance" of your Securities Account (respectively).

(d) General

Depository agents (as defined under Section 130A of the Companies Act) may also accept the Exit Offer via the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents (the "**Electronic Acceptance**"). Such Electronic Acceptances must be submitted **NOT LATER THAN 5.30 P.M. ON THE CLOSING DATE**. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf. Such Electronic Acceptances will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Exit Offer Letter as if the FAA had been duly completed and submitted to CDP.

No acknowledgement will be given for any submission of a FAA.

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number through (i) CDP Online if you have registered for CDP Internet Access Service or (ii) CDP Phone Service if you have a T Pin. Alternatively, you may proceed to CDP in person with your identity card or passport to verify the number of Offer Shares credited to your Securities Account.

CDP will, upon receipt for and on behalf of the Offeror of the duly completed and signed FAA and all other relevant documents (if any), transfer the Offer Shares in respect of which you have accepted the Exit Offer from the "Free Balance" of your Securities Account to a "Suspense Account" pending the Exit Offer becoming or being declared to be unconditional in all respects in accordance with its terms and until the consideration for the Offer Shares has been despatched to you. In the event that the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the relevant number of Offer Shares in respect of which you have accepted the Exit Offer will be transferred to the "Free Balance" of your Securities Account as soon as possible but, in any event, not later than 14 days from the lapse of the Exit Offer.

In the event that the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Exit Offer Price by way of a cheque in Singapore currency drawn on a bank operating in Singapore for the appropriate amount, or in such other manner as you may have agreed with CDP for the payment of any cash distributions.

All communications, certificates, notices, documents and remittances to be delivered or sent to you will be sent to you by ordinary post to your address as maintained in the records of CDP and at your own risk. The Offeror, Asiasons WFG Capital or CDP shall not be liable for any loss in transmission of the FAA.

If you do not have any existing Securities Account in your name as at the time and date of acceptance of the Exit Offer, your acceptance as contained in the FAA will be rejected.

2. PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY SHAREHOLDERS WHO HOLD OFFER SHARES WHICH ARE NOT DEPOSITED WITH CDP

If you hold Offer Shares which are not deposited with CDP, you are entitled to receive this Exit Offer Letter together with the FAT. If you wish to accept the Exit Offer, you should complete and sign the FAT (which is available upon request from **Asia New Energy Holding Limited** c/o M & C Services Private Limited at its office located at 112 Robinson Road, #05-01, Singapore 068902) in accordance with the provisions and instructions in this Exit Offer Letter (including this **Appendix I**), and the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Exit Offer) and submit, at your own risk, the duly completed and signed FAT, together with the relevant share certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror, by hand or by post to:

ASIA NEW ENERGY HOLDING LIMITED

c/o M & C Services Private Limited
112 Robinson Road, #05-01, Singapore 068902

so as to arrive not later than 5:30 p.m. on the Closing Date, being 14 May 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

If your Offer Shares are represented by share certificate(s) which are not registered in your own name, you must send in, at your own risk, the relevant share certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror together with a duly completed and signed FAT accompanied by transfer form(s), duly completed and executed by the person registered with the Company as the holder of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it).

If you wish to accept the Exit Offer, you must insert in the FAT the number of Offer Shares in respect of which the Exit Offer is accepted, which should not exceed the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT.

If the number of Offer Shares in respect of which the Exit Offer is accepted, as inserted by you in the FAT, exceeds the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT, or if no such number of Offer Shares is inserted in the FAT by you, then **YOU SHALL BE DEEMED TO HAVE ACCEPTED THE EXIT OFFER IN RESPECT OF ALL THE OFFER SHARES REPRESENTED BY THE SHARE CERTIFICATE(S) AND/OR OTHER DOCUMENT(S) OF TITLE ACCOMPANYING THE FAT.**

No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other relevant document(s) required by the Offeror will be given.

The election made or deemed to be made by you in the FAT shall be deemed to be irrevocable and any instructions or FAT received by the Offeror or M & C Services Private Limited after the FAT has been received shall be disregarded.

All communications, certificates, notices, documents and remittances to be delivered or sent to you will be sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the Register of Members of the Company) by ordinary post to your address as it appears in the Register of Members of the Company at your own risk (or, for the purpose of remittances only, to such different name and address as may appear in the FAT and at your own risk).

In the event that the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, payment will be sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the register of members of the Company) by ordinary post to your address as it appears in the register of members of the Company at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a cheque drawn on a bank operating in Singapore for the appropriate amount.

In the event that the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the FAT and other documents (including share certificate(s)) will be returned at your own risk by ordinary post within 14 days of the lapse of the Exit Offer.

3. OTHER RELEVANT INFORMATION IN RESPECT OF THE PROCEDURES FOR ACCEPTANCE

If you hold the share certificate(s) of some of the Offer Shares beneficially owned by you and if you have deposited the rest of the Offer Shares beneficially owned by you with CDP, you are required to complete the FAT in respect of the Offer Shares represented by share certificate(s) and the FAA in respect of the Offer Shares which are deposited with CDP, if you wish to accept the Exit Offer in respect of all such Offer Shares. Both the FAT and the FAA must be completed, signed and accompanied by the relevant documents and sent to the Offeror in accordance with the respective procedures for acceptance set out above in paragraphs 1 and 2 of this **Appendix I**.

If you hold the share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Exit Offer in respect of such Offer Shares, you **SHOULD NOT** deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive) as the "Free Balance" of your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Exit Offer.

Delivery of the duly completed and signed FAA and/or FAT to the Offeror, Asiasons WFG Capital, CDP and/or M & C Services Private Limited, as the case may be, shall be conclusive evidence in favour of the Offeror, Asiasons WFG Capital, CDP and M & C Services Private Limited of the right and title of the person(s) signing it to deal with the same and with the Offer Shares to which it relates.

Acceptances in the form of FAA and/or FAT received by the Offeror, Asiasons WFG Capital, CDP and/or M & C Services Private Limited, on a Saturday, Sunday or public holiday will only be processed and validated on the next business day.

If you wish to accept the Exit Offer, it is your responsibility to ensure that the FAA and/or the FAT is/are accurately completed in all respects, signed and all required documents are provided. The Offeror, Asiasons WFG Capital, CDP and M & C Services Private Limited will be authorised and entitled, at their sole and absolute discretion, to reject any acceptance that does not comply with the provisions and instructions contained in this Exit Offer Letter and in the FAA or the FAT (as the case may be), or which is otherwise incomplete, incorrect, unsigned, illegible or invalid in any respect. Any decision to reject the FAA or the FAT on the grounds that it has been invalidly, incorrectly or incompletely signed, completed or submitted will be final and binding, and none of the Offeror, Asiasons WFG Capital, CDP and/or M & C Services Private Limited accepts any responsibility or liability for the consequences of such a decision.

4. SETTLEMENT

Subject to the Exit Offer becoming or being declared to be unconditional in all respects and to the receipt by the Offeror of valid acceptances, complete in all respects, signed and in accordance with the instructions in this Exit Offer Letter (including this **Appendix I**) and the relevant FAA and/or FAT (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the "Free Balance" of the depositor's Securities Account at the relevant time(s), remittances in the form of cheques in Singapore currency drawn on a bank operating in Singapore for the appropriate amounts will be despatched to the accepting Shareholder (or, in the case of a Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent, if any) at his address as maintained in the records of CDP or the Register of Members of the Company by ordinary post and at the risk of the accepting Shareholder, or in such other manner as he may have agreed with CDP for the payment of any cash distributions, as soon as practicable but in any event:

- (a) in respect of acceptances of the Exit Offer which are valid and complete in all respects and are received on or before the date on which the Exit Offer becomes or is declared to be unconditional in all respects, within 10 days of that date; or
- (b) in respect of acceptances which are valid and complete in all respects and are received after the Exit Offer becomes or is declared to be unconditional in all respects, but before the Exit Offer closes, within 10 days of the date of such receipt.

In the case of a depositor, CDP will also send a notification letter by ordinary post to you, at your address as maintained in the records of CDP, at your own risk, stating the number of Offer Shares debited from your Securities Account.

5. NO RIGHT OF WITHDRAWAL

ALL ACCEPTANCES OF THE EXIT OFFER SHALL BE IRREVOCABLE.

APPENDIX II

ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS OF THE OFFEROR

The name, address and designation of the director of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Designation
Ms. Lu Di	Unit 7C1001, Ziyuan Area A, No. 27 Xihai Road, Changyi District, Haikou, Hainan, People's Republic of China	Director

2. REGISTERED OFFICE OF THE OFFEROR

The registered office of the Offeror is at Level 5, Development Bank of Samoa Building, Beach Road, Apia, Samoa.

3. SHARE CAPITAL OF THE OFFEROR

As at the Latest Practicable Date, the Offeror has an issued share capital of US\$1,434,900 divided into 1,434,900 ordinary shares.

4. SUMMARY OF FINANCIAL INFORMATION

The principal activity of the Offeror is that of an investment holding company. The Offeror is not required to prepare, and has not prepared, any audited financial statements since the date of its incorporation.

(a) Consolidated Un-audited Income Statements of the Offeror

A summary of the unaudited income statements of the Offeror for FY2011, FY2012 and FY2013 is set out below.

S\$'000	Financial years ended 31 December		
	2011	2012	2013
Turnover	–	–	–
Other income	1,120	–	–
Exceptional items	–	–	–
Total turnover	1,120	–	–
Administrative expenses	(8)	(7)	(425)
Finance costs	–	–	(155)
Profit/(Loss) before taxation	1,112	(7)	(580)
Taxation	–	–	–
Net profit/(loss) for the year	1,112	(7)	(580)
Earnings per share (cents) ⁽¹⁾	77.51	(0.51)	(40.40)
Dividends per share	Nil	Nil	Nil

Note:

(1) Based on 1,434,900 shares in issue.

(b) Unaudited Balance Sheet of the Offeror

The following table summarises the unaudited balance sheet of the Offeror as at 31 December 2013, being the date of the Offeror's last available management accounts.

S\$'000	As at 31 December 2013
Share capital and reserves	
Share capital	2,396
Retained earnings	7,639
Shareholders' equity	10,035
Non-current assets	
Long-term quoted investment	27,957
Current assets	
Cash & bank balances	55,058
Current liabilities	
Other payables	18,980
Non-current liabilities	
	54,000
Net asset	10,035

5. SIGNIFICANT ACCOUNTING POLICIES

As at the Latest Practicable Date, there are no significant policies nor any point from the notes of the accounts of the Offeror which are of major relevance for the interpretation of the accounts of the Offeror referred to in this **Appendix II**.

As at the Latest Practicable Date, there has been no change in the accounting policy of the Offeror which will cause the figures disclosed in paragraphs 4(a) and (b) of this **Appendix II** to be not comparable to a material extent.

6. MATERIAL CHANGES IN FINANCIAL POSITION

Following the close of the Previous Offer on 11 February 2014, the Company became a subsidiary of the Offeror. As at the Latest Practicable Date, there has been no known material change in the financial position of the Offeror since 31 December 2013, being the date of the Offeror's latest available management accounts.

7. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

7.1 Shareholdings in the Company

As at the Latest Practicable Date, save as disclosed below, none of the Offeror, its director, parties acting or deemed to be acting in concert with the Offeror owns, controls or have agreed to acquire any APCL Securities.

Name	No. of Shares			
	Direct Interest		Deemed Interest	
	No. of Shares	%⁽¹⁾	No. of Shares	%⁽¹⁾
Offeror	417,333,352	89.57	—	—
Lu Di ⁽²⁾	—	—	417,333,352	89.57

Notes:

- (1) Based on 465,922,022 Shares as at the Latest Practicable Date.
- (2) Ms. Lu Di, the director of the Offeror, is deemed interested, by virtue of Section 7 of the Companies Act, in 417,333,352 Shares held by the Offeror.

7.2 Dealings in Shares

- (a) Save as disclosed below, none of the Offeror, its director, or parties acting or deemed to be acting in concert with the Offeror has dealt for value in any APCL Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

Name	Date of Transaction	Number of Shares Acquired	Transacted Price per Share (S\$)
Offeror	14 February 2014	230,000	0.160
	17 February 2014	248,000	0.160
	28 February 2014	33,000	0.160
	14 March 2014	50,000	0.160
	17 March 2014	75,000	0.160
	20 March 2014	50,000	0.155
	21 March 2014	75,000	0.160
	4 April 2014	3,000	0.159
	4 April 2014	58,000	0.160
	7 April 2014	20,000	0.154
	7 April 2014	50,000	0.160
	7 April 2014	109,000	0.150

- (b) None of the Offeror or any party acting in concert with it has (i) granted a security interest over any APCL Securities to another person, whether through a charge, pledge or otherwise, (ii) borrowed from another person any APCL Securities (excluding borrowed APCL Securities which have been on-lent or sold), or (iii) lent any APCL Securities to another person.

7.3 No Other Undertakings

As at the Latest Practicable Date, none of the Offeror or the parties acting in concert with it has received any irrevocable undertaking from any party to accept or reject the Exit Offer.

7.4 Indemnity Agreements

As at the Latest Practicable Date, neither the Offeror nor any party acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.

7.5 Agreement having any Connection with or Dependence upon the Exit Offer

As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the Offeror or any parties acting in concert with the Offeror and (b) any of the present or recent Directors or any of the present or recent Shareholders or any other person having any connection with or dependence upon the Exit Offer or is conditional upon the Exit Offer and its outcome.

7.6 Payment or Benefit to the Directors

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for payment or other benefit being made or given to any Director or any director of a corporation deemed to be related to the Company by virtue of Section 6 of the Companies Act as compensation for loss of office or as consideration for or in connection with his retirement from office or otherwise in connection with the Exit Offer.

7.7 Transfer of Shares

As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any Shares acquired pursuant to the Exit Offer, as the case may be, will or may be transferred to any other person. The Offeror, however, reserves the right to transfer any of the Shares to any of its related corporation (as defined in the Companies Act) or for the purpose of granting security in favour of financial institution(s) which have extended credit facilities to it.

7.8 Transfer Restrictions

The Memorandum and Articles of Association of the Company do not contain any restrictions on the right to transfer the Shares.

7.9 Material Change in Information

Save as disclosed in this Exit Offer Letter and save for the information relating to the Offeror and the Exit Offer that is publicly available, there has been, within the knowledge of the Offeror, no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.