

TORRINGTON PLACE PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201405291N)

13 May 2016

To: The Shareholders of China Yongsheng Limited

Dear Sir/Madam

COMPULSORY ACQUISITION OF ORDINARY SHARES IN THE CAPITAL OF CHINA YONGSHENG LIMITED PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE, BY TORRINGTON PLACE PTE. LTD. (THE "OFFEROR") AND RIGHT PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE

1. INTRODUCTION

- 1.1 **Offer Document.** We refer to (i) the offer document dated 14 March 2016 (the "**Offer Document**") in relation to the voluntary conditional cash offer (the "**Offer**") by CIMB Bank Berhad, Singapore Branch ("**CIMB**"), for and on our behalf, to acquire all the issued and paid-up ordinary shares (the "**Shares**") in the capital of China Yongsheng Limited (the "**Company**"); (ii) the announcement dated 22 April 2016 in relation to the waiver of the Acceptance Condition and the Offer being declared unconditional as to acceptances; and (iii) the announcement dated 4 May 2016 in relation to the Offeror having received valid acceptances of the Offer and having acquired Offer Shares during the Offer period which resulted in the Offeror holding more than 90% of the Offer Shares.

Unless otherwise defined, all capitalised terms used in this letter ("**Letter**") shall bear the same meanings as set out in the Offer Document.

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

- 1.2 **Holdings of Shares.** On 4 May 2016, CIMB announced, for and on our behalf, that based on information provided to the Offeror, as at 5.00 p.m. (Singapore time) on 4 May 2016, the total number of Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror and valid acceptances of the Offer amounted to an aggregate of 1,498,398,492 Offer Shares, representing approximately 90.05% of the total number of issued Shares¹.
- 1.3 **Compulsory Acquisition.** As the Offeror has received valid acceptances of the Offer² and acquired Offer Shares during the Offer period which in aggregate amount to not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Offer Announcement Date, and excluding treasury shares), the Offeror is entitled to, and intends to, exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the remaining Offer Shares which have not been tendered towards the Offer on the same terms as those under the Offer.

1 In this Letter, all references to the total number of issued Shares shall be to 1,663,900,000 Shares as at 7 March 2016, being the latest practicable date prior to the printing of the Offer Document. The Company does not have any treasury shares.

2 For the avoidance of doubt, for the purposes of the right of compulsory acquisition under Section 215(1) of the Companies Act, acceptances pursuant to the Offer will include acquisitions or contracts of acquisitions of the Shares made in compliance with the provisions of Section 215(11) of the Companies Act.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

- 2.1 **Dissenting Shareholders.** According to the records maintained by CDP and/or the Share Registrar, as the case may be, you have not accepted the Offer and/or your Shares have not been acquired by the Offeror as at the date of this Letter. Accordingly, we are writing to inform you that the Offeror is exercising its right of compulsory acquisition to acquire all your Shares at a cash consideration of **S\$0.032 for each Share** that you own (the “**Consideration**”) and on the same terms as those offered under the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“**Form 57**”) addressed to you.
- 2.2 **Compulsory Acquisition.** The Offeror will exercise the right of compulsory acquisition to acquire all the Shares held by you on or after 14 June 2016 (the “**Transfer Date**”), being the date after the expiration of one (1) month from the date of the Form 57, subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act.
- 2.3 **Registration of Transfer.** Upon payment of the Consideration by the Offeror, the Company will cause all the Shares held by you to be transferred to the Offeror and will register the Offeror as the holder of all those Shares as soon as practicable. The Consideration will be credited by the Company into a separate bank account and held by the Company in trust for you.
- 2.4 **Settlement.** Subject to and in accordance with the provisions of Sections 215(1) and 215(4) of the Companies Act and the terms set out in the enclosed Form 57, as soon as practicable after the Transfer Date, payment in the form of a Singapore Dollar crossed cheque drawn on a bank in Singapore for the appropriate amount payable in respect of your Shares will be despatched to you by ordinary post, at your own risk, to the address as it appears in the records of CDP and/or the Share Registrar or in such other manner as you may have agreed with CDP for the payment of any cash distributions and at your own risk.
- 2.5. **No Action Required.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and to entitle you to payment of the Consideration for your Shares, which payment will be made to you in accordance with paragraphs 2.3 and 2.4 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

- 3.1 **Non-Assenting Shareholders.** As the Offeror has received valid acceptances pursuant to the Offer and acquired Offer Shares during the Offer period which in aggregate amount to not less than 90% of the total number of issued Shares, it should be noted that Shareholders who failed or refused to accept the Offer (“**Non-Assenting Shareholders**”) have the right, under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price of S\$0.032 for each Share and on the same terms as those offered under the Offer by serving notice requiring the Offeror to do so. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“**Form 58**”) addressed to you is enclosed with this Letter. You may, within three (3) months from the date of Form 58 (that is, by 13 August 2016), give notice requiring the Offeror to acquire your Shares at the Offer Price of S\$0.032 for each Share and on the same terms as those offered under the Offer and the Offeror shall be entitled and bound to acquire your Shares accordingly.
- 3.2 **No Action Required.** As the Offeror would be proceeding to compulsorily acquire your Shares on the terms set out in the enclosed Form 57 pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to Form 58. Shareholders who wish to exercise their right under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

4. DELISTING OF THE COMPANY

Following completion of the compulsory acquisition, the Company will become a wholly-owned subsidiary of the Offeror and will be delisted from the SGX-ST. The date and time of the delisting of the Company from the SGX-ST is expected to be announced by the Company in due course.

5. GENERAL

- 5.1 If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.
- 5.2 If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Form 57 and Form 58 immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

6. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter 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 has been extracted or reproduced from published or publicly available sources (including, without limitation, information in relation to the Group or the Company) or obtained from the Company or parties acting or presumed to be acting in concert with the Offeror, the sole responsibility of the Offeror's directors has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement in its proper form and context.

Yours faithfully
For and on behalf of
Torrington Place Pte. Ltd.

Zhao Lei
Director