

# Tianlan Holding Pte. Ltd.

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 202017041D)

2 October 2020

To: The Shareholders of China Jishan Holdings Limited

Dear Sirs

## COMPULSORY ACQUISITION OF SHARES IN CHINA JISHAN HOLDINGS LIMITED (THE "COMPANY") BY TIANLAN HOLDING PTE. LTD. (THE "OFFEROR") PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE "COMPANIES ACT"), AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT

### 1. INTRODUCTION

- 1.1 **Offer.** We, the Offeror, refer to the formal offer document dated 3 September 2020 (the "**Offer Document**") issued by Stirling Coleman Capital Limited ("**SCCL**"), for and on behalf of the Offeror, in relation to the voluntary conditional cash offer (the "**Offer**") for all the issued ordinary shares (the "**Shares**") in the capital of the Company, including any Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in relation to the Offer but excluding treasury shares, if any (the "**Offer Shares**").

*All capitalised terms used and not defined in this letter (the "**Letter**") shall have the same meanings given to them in the Offer Document, unless otherwise expressly stated or the context otherwise requires.*

**If you have already (i) validly accepted the Offer in respect of all your Shares by completing and returning the Form of Acceptance and Authorisation for Offer Shares (the "FAA") or Form of Acceptance and Transfer for Offer Shares (the "FAT") (collectively, the "Acceptance Forms") (as the case may be) or (ii) sold all your Shares on the Singapore Exchange Securities Trading Limited (the "SGX-ST") prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (each as defined below).**

- 1.2 **Compulsory Acquisition Threshold Attained.** As announced by SCCL, for and on our behalf, as at 6.00 p.m. (Singapore time) on 24 September 2020, the total number of Shares owned, controlled or agreed to be acquired by us (including valid acceptances of the Offer) amounted to an aggregate of 272,699,950 Shares, representing 90.45% of the total number of issued Shares<sup>1</sup> of the Company.
- 1.3 **Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, as we have received valid acceptances pursuant to the Offer and/or acquired such number of Shares from the date of despatch of the Offer Document otherwise than through valid acceptances of the Offer, in respect of not less than 90% of the total number of issued Shares (other than those already held by us, our related corporations or our respective nominees as at the date of the Offer, if any), we are entitled and, as stated in the Offer Document, intend to exercise our right of compulsory acquisition under Section 215(1) of the Companies Act (the "**Compulsory Acquisition Right**") to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer as at the close of Offer (the "**Dissenting Shareholders**"), on the same terms and conditions as those offered under the Offer.

<sup>1</sup> Unless otherwise stated, in this Letter, all references to the total number of issued Shares shall be to 301,500,000 Shares. All percentage shareholding figures are rounded to the nearest two decimal places.

## 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 M & C Services Private Limited (the “Share Registrar”), as the case may be, you have not accepted the Offer in respect of your Shares. Accordingly, we are writing to inform you that we are exercising our Compulsory Acquisition Right to acquire all the Shares held by you at the Offer Price of **S\$0.35** in cash for each Share (the “Offer Consideration”). We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“Form 57”).
- 2.2 **Compulsory Acquisition.** We will exercise our Compulsory Acquisition Right to acquire all the Shares held by you on or after 3 November 2020 (the “Transfer Date”), being one month after the date of 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 the settlement of the Offer Consideration to the Company by us, 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 Offer Consideration will be credited by the Company into a separate bank account and held by the Company on trust for you and will be paid to you in accordance with 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:
- 2.4.1 if your Shares are held through a Securities Account maintained with CDP, CDP will, on our behalf, despatch or credit remittances for the appropriate aggregate amounts of the Offer Consideration payable in respect of your Shares in such manner as prescribed by CDP for the payment of any cash distributions; and
- 2.4.2 if your Shares are held in scrip form, the Registrar will, on our behalf, despatch a S\$ crossed cheque drawn on a bank in Singapore for the appropriate aggregate amounts of the Offer Consideration payable in respect of your Shares to you by ordinary post, at your own risk, to your address as it appears in the register of members of the Company, as maintained by the Registrar.
- 2.5 **No Action Needed.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and entitle you to payment, which 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 Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“Form 58”) is enclosed with this Letter. You may, within three months from the date of the Form 58 (that is, by 2 January 2021), require us to acquire your Shares and we shall be entitled and bound to acquire your Shares on the same terms and conditions as those offered under the Offer at the Offer Consideration.
- 3.2 **No Action Required. As we will be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to Form 58.** Nevertheless, if you wish to exercise your right under Section 215(3) of the Companies Act, you are advised to seek your own independent legal advice.

## 4. DELISTING

- 4.1. **Free Float Requirement.** Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the Shares (excluding treasury shares, if any) is at all times held by the public (the “Free Float Requirement”). As announced by SCCL for and on our behalf on 24 September 2020, the Free Float Requirement is no longer satisfied and, as stated in the Offer Document, the Offeror intends to delist and privatise the Company.

- 4.2. **Listing Status of the Company.** Pursuant to Rule 1303(1) of the Listing Manual, the SGX-ST will suspend trading of the listed securities, being the Shares, of the Company on the SGX-ST, at the close of the Offer. Accordingly, as the Offeror has received acceptances of the Offer in respect of more than 90% of the total number of Shares (excluding treasury shares, if any), trading of the Shares will remain suspended at the close of the Offer.<sup>2</sup>

The Company will be delisted from the SGX-ST upon the completion of the compulsory acquisition by us under Section 215(1) of the Companies Act. An application has been made to the SGX-ST for the delisting of the Company. The result of the application for delisting will be announced in due course.

## 5. GENERAL

**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.**

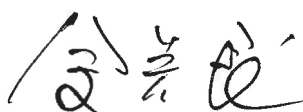
If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Form 57 and Form 58 immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

## 6. RESPONSIBILITY STATEMENT

The sole director of the Offeror (who may have delegated detailed supervision of this Letter) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that there are no material facts that have been omitted from this Letter, the omission of which would make any statement in this Letter misleading, and accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company (including without limitation, information relating to the Company), the sole responsibility of the sole director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Letter.

Yours faithfully  
For and on behalf of  
**Tianlan Holding Pte. Ltd.**



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**Jin Guanliang**  
Director

Enclosed: Form 57 and Form 58

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<sup>2</sup> As disclosed in Section 8.3 of the Letter to Shareholders in the Offer Document, trading in the Shares in the Company has been suspended with effect on and from 15 July 2020 and continues to be suspended as at the date of this Letter.