

MARVELLOUS GLORY HOLDINGS LIMITED

(Incorporated in British Virgin Islands)

(Company Registration No. 1919546)

150 South Bridge Road, #11-04 Fook Hai Building, Singapore 058727

3 January 2017

To: The Dissenting and Non-Assenting Shareholders of China Minzhong Food Corporation Limited

Dear Shareholder,

COMPULSORY ACQUISITION OF SHARES IN CHINA MINZHONG FOOD CORPORATION LIMITED (“CMZ” OR THE “COMPANY”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE “COMPANIES ACT”) BY MARVELLOUS GLORY HOLDINGS LIMITED (THE “OFFEROR”) AND RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1. **Offer.** The Offeror refers to the offer document dated 10 November 2016 (the “**Offer Document**”) in respect of the voluntary conditional offer (the “**Offer**”) by CIMB Bank Berhad, Singapore Branch (“**CIMB**”), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares in the capital of CMZ (the “**CMZ Shares**”) other than those already held by the Offeror as at the date of the Offer.

Unless otherwise defined herein, capitalised terms used in this letter (the “**Letter**”) shall have the same meanings as defined in the Offer Document.

- 1.2. **Acceptances as at 7 December 2016.** On 7 December 2016, CIMB announced, for and on behalf of the Offeror, that as at 5.00 p.m. on 7 December 2016, the Offeror had received valid acceptances in respect of an aggregate of 647,078,115 CMZ Shares, representing approximately 98.72% of the total number of issued CMZ Shares¹, pursuant to the Offer. The Offer was declared unconditional in all respects on 7 December 2016.
- 1.3. **Close of Offer.** On 8 December 2016, CIMB announced, for and on behalf of the Offeror, that the Offer had closed at 5.30 p.m. on 8 December 2016. Accordingly, the Offer is no longer open for acceptance and any acceptances received thereafter will be rejected.

As at the close of the Offer, the Offeror and its Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 652,643,414 CMZ Shares, representing approximately 99.57% of the total number of issued CMZ Shares.

- 1.4. **Right of Compulsory Acquisition.** As the Offeror had received valid acceptances of the Offer in respect of not less than 90% of the total number of issued CMZ Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any CMZ Shares held in treasury), the Offeror is entitled, and as

¹ References in this Letter to the total number of issued CMZ Shares are based on 655,439,000 CMZ Shares in issue as at 8 December 2016.

stated in the Offer Document and as announced on 7 December 2016, intends, to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire, at a price equal to the Offer Consideration of S\$1.20 for each CMZ Share and on the same terms as those offered under the Offer, all the CMZ Shares in respect of which acceptances have not been received by the Offeror as at the close of the Offer.

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 (“**CDP**”) and/or Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Share Registrar**”), as the case may be, as at 5.30 p.m. on 8 December 2016, you have not accepted the Offer in respect of your CMZ Shares. Accordingly, the Offeror is writing to inform you that the Offeror wishes to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all your CMZ Shares (the “**Acquired Shares**”) at a consideration of S\$1.20 for each Acquired Share (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**”).

If you have already accepted the Offer in respect of all your CMZ Shares by completing and returning a valid Acceptance Form, please disregard this Letter and the accompanying Form 57 and Form 58 (as defined below).

2.2 **Consideration.** The Consideration for each CMZ Share shall be satisfied as follows:

EITHER

(a) S\$1.20 in cash (the “**Cash Consideration**”);

OR

(b) S\$0.7665 in cash and S\$0.4335 in principal amount of Exchangeable Bonds (the “**Cash and Exchangeable Bonds Consideration**”).

The cash amount to be paid and the principal amount of Exchangeable Bonds to be issued to a Shareholder who elects to receive the Cash and Exchangeable Bonds Consideration will be rounded down to the nearest S\$0.01 in each case.

Dissenting Shareholders may elect to receive either (i) the Cash Consideration or (ii) the Cash and Exchangeable Bonds Consideration but not a combination thereof.

The Cash and Exchangeable Bonds Consideration comprises (a) approximately 63.9% of the Consideration in the form of cash and (b) approximately 36.1% of the Consideration in the form of the Exchangeable Bonds.

The Exchangeable Bonds will be exchangeable into CMZ Shares at an exchange price of S\$1.20 per CMZ Share (the “**Exchange Price**”) (which is equivalent to the Consideration) during the period commencing from 8 February 2017 and ending on 8 April 2017 (the “**Exchange Period**”) as specified in the terms and conditions of the Exchangeable Bonds and will be mandatorily exchanged into CMZ Shares at the Exchange Price at the expiry of the

Exchange Period. The terms and conditions of the Exchangeable Bonds are set out in Appendix 8 to the Offer Document.

A Dissenting Shareholder who elects to receive the Cash and Exchangeable Bonds Consideration will, subject to the delisting of CMZ from the SGX-ST and upon exchange of the Exchangeable Bonds, retain and hold unlisted CMZ Shares of CMZ (as an unlisted company) representing approximately 36.1% of the Acquired Shares.

2.3 **Election Notice.** If you wish to elect to receive the Cash and Exchangeable Bonds Consideration, you should complete, sign and deliver to the Offeror the Election Notice set out in the Appendix hereto not later than:

- (a) 3 February 2017 (being one (1) month from the date of this Letter); or
- (b) the date falling 14 days after a statement is supplied pursuant to Section 215(2) of the Companies Act;

If you do not or fail to make an election within the time specified above, you will be deemed to have elected to receive the Cash Consideration in respect of the Acquired Shares. If you wish to receive the Cash Consideration, you need not make an election or take any action.

2.4 **Overseas Shareholders.** For practical reasons and to avoid violating applicable securities laws outside Singapore, the Exchangeable Bond Certificates will not be despatched to any overseas jurisdictions. If your address is outside Singapore as shown in the Register or in the Depository Register (as the case may be) and you wish to elect to receive the Cash and Exchangeable Bonds Consideration in respect of the Acquired Shares, you must provide in the Election Notice a mailing address in Singapore for the Offeror to despatch the Exchangeable Bond Certificate(s) to you. **If you fail to provide the Offeror with a mailing address in Singapore in the Election Notice, you shall be deemed to have elected to receive only the Cash Consideration.**

2.5 **Compulsory Acquisition.** The Offeror will exercise its right of compulsory acquisition to acquire the Acquired Shares on or after 4 February 2017 (the "**Exercise Date**"), being the day after the expiration of one (1) month after the date on which the Form 57 is given to you subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act.

2.6 **Registration of Transfer.** On or after the Exercise Date, the Offeror will, *inter alia*, pay, allot or transfer to CMZ, the Consideration for the Acquired Shares. Upon, *inter alia*, payment, allotment or transfer of the Consideration to CMZ as aforesaid, CMZ will cause all the Acquired Shares to be transferred to the Offeror and will register the Offeror as the holder of the Acquired Shares as soon as practicable. The cash portion of the Consideration will be credited by CMZ into a separate bank account, and such sum and (if you elect to receive the Cash and Exchangeable Bonds Consideration) the Exchangeable Bond Certificate for the relevant principal amount of Exchangeable Bonds in your name will be held by CMZ on trust for you.

2.7 **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 Exercise Date:

(a) Acquisition at the Cash Consideration

- (i) if your CMZ Shares are held through a Securities Account maintained with CDP, CDP will, on behalf of CMZ, despatch remittance in the form of a Singapore Dollar crossed cheque for the appropriate amount of the Cash Consideration payable in respect of the Acquired 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; and
- (ii) if your CMZ Shares are held in certificate form, the Share Registrar will, on behalf of CMZ, despatch remittance in the form of a Singapore Dollar crossed cheque for the appropriate amount of the Cash Consideration payable to you in respect of the Acquired Shares to you (or your designated agents, as you may direct) by ordinary post, at your own risk, to your address as it appears in the Register of Members of CMZ, as maintained by the Share Registrar;

(b) Acquisition at the Cash and Exchangeable Bonds Consideration

if you elect to receive the Cash and Exchangeable Bonds Consideration by submitting a duly completed Election Notice to the Offeror on or before the time specified in paragraph 2.3 above

- (i) where your CMZ Shares are held through a Securities Account maintained with CDP, CDP will, on behalf of CMZ, despatch remittance in the form of a Singapore Dollar crossed cheque for the appropriate amount of the cash portion of the Cash and Exchangeable Bonds Consideration payable in respect of the Acquired 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;
- (ii) where your CMZ Shares are held in certificate form, the Share Registrar will, on behalf of CMZ, despatch remittance in the form of a Singapore Dollar crossed cheque for the appropriate amount of the cash portion of the Cash and Exchangeable Bonds Consideration payable to you in respect of the Acquired Shares to you (or your designated agents, as you may direct) by ordinary post, at your own risk, to your address as it appears in the Register of Members of CMZ, as maintained by the Share Registrar; and
- (iii) the Exchangeable Bond Certificate in respect of the appropriate principal amount of Exchangeable Bonds in your name will be despatched to you (or, if your CMZ Shares are held in certificate form, your designated agents, as you may direct) by ordinary post, at your own risk, to your address as it appears in the records of CDP, or if your Shares are held in certificate form, your address maintained in the Register of Members of CMZ, as maintained by the Share Registrar.

2.8 **Action.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your CMZ Shares and to entitle you to settlement of the Consideration for your CMZ Shares, which settlement will be made to you in accordance with paragraph 2.7 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 the Offeror to acquire your CMZ 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. Subject to and in accordance with Section 215 of the Companies Act, you may, within three (3) months from the giving of the Form 58 to you (that is, by 3 April 2017), require the Offeror to acquire your CMZ Shares, and the Offeror shall be entitled and bound to acquire your CMZ Shares at the Consideration and on the same terms as those offered under the Offer (or otherwise in accordance with Section 215(3) of the Companies Act).

3.2 **Action.** As the Offeror will be proceeding to compulsorily acquire your CMZ Shares on the terms set out in the enclosed Form 57 and as described in paragraph 2 above, **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 or if you are in any doubt, you should seek your own independent legal advice.**

4 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, accountant, tax adviser or other professional adviser immediately.

If you have sold or otherwise transferred any or all of your CMZ Shares, please forward this Letter and the accompanying Form 57, Form 58 and Election Notice 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.

Yours faithfully,
For and on behalf of
Marvellous Glory Holdings Limited



Mr Teng Tien Eng Moses
Director

APPENDIX

FORM OF ELECTION NOTICE

Date: _____
To: Marvellous Glory Holdings Limited
150 South Bridge Road
#11-04 Fook Hai Building
Singapore 058727
Attention: Board of Directors

COMPULSORY ACQUISITION OF SHARES IN CHINA MINZHONG FOOD CORPORATION LIMITED (“CMZ SHARES”) BY MARVELLOUS GLORY HOLDINGS LIMITED (THE “OFFEROR”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE
- ELECTION OF THE CASH AND EXCHANGEABLE BONDS CONSIDERATION

Unless otherwise defined herein, capitalised terms used in this election notice shall have the same meanings as defined in the letter dated 3 January 2017 from the Offeror.

1. I refer to the letter dated 3 January 2017 from the Offeror in relation to the compulsory acquisition of CMZ Shares pursuant to Section 215 of the Companies Act (Chapter 50) of Singapore and the accompanying Form 57 and Form 58.
2. I hereby irrevocably elect to receive the Cash and Exchangeable Bonds Consideration in respect of all of the CMZ Shares held by me to be compulsorily acquired by the Offeror.

For Overseas Shareholders Only
Singapore Mailing Address: _____ _____ _____
Note: If you are an overseas shareholder, you must insert a mailing address in Singapore for the Offeror to despatch the Exchangeable Bond Certificate to you, failing which you will be deemed to have elected to receive only the Cash Consideration.

Name:
Identity No.: