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PRESS RELEASE

Boer Power announces voluntary conditional cash offer of S\$161.2 million for SGX-listed SMB United

- Offer price of S\$0.32 per Offer Share represents a premium ranging between 16.8% and 28.0% over the 1-month, 3-month, 6-month and 1-year volume weighted average traded price (detailed below)
- Given that the 1-month, 3-month, 6-month and 1-year average daily volumes range between 0.58% and 0.16% of SMB United's total shares, the Offer represents a unique cash exit opportunity for shareholders of SMB United to realise their entire investment at a premium over the market prices of the Offer Shares¹
- Boer Power intends to privatise and delist SMB United and exercise its rights of compulsory acquisition in respect of the Offer (detailed below)

SINGAPORE, 31 October 2011 – Hong Kong-listed Boer Power Holdings ("**Boer Power**", **HKEX Main Board: 01685**), a leading one-stop designer, manufacturer and seller of high-quality integrated electrical distribution systems and solutions in China, today announced that its indirect wholly owned subsidiary, Profit Sea Holdings Limited (the "**Offeror**") has announced a voluntary conditional cash offer (the "**Offer**") to acquire all the issued shares of SMB United Limited (the "**Offeree**" or "**SMB United**") (other than those already owned, controlled or agreed to be acquired by the Offeror) (each an "**Offer Share**"), for a consideration of S\$0.32 per share in cash ("**Offer Price**"). Based on SMB United's existing share capital as at 31 October 2011² and shares in SMB United ("**SMB United Shares**") that maybe potentially awarded to participants of the performance share plan³ of SMB United, this would correspond to a total cash consideration of approximately S\$161.2 million.

¹ When compared with the market prices of the Offer Shares prior to the last Trading Day

² Based on Bizfile Search dated 28 October 2011 extracted from ACRA, SMB United's issued and paid-up share capital comprises 479,751,999 SMB Shares and there are no shares held in treasury

³ Based on the information on the announcements of SMB, an aggregate of 23,950,000 SMB Shares may potentially be awarded to participants of the Performance Share Plan of the Offeree

Rationale for the Offer

SMB United's principal activity is the manufacture and distribution of switchgears, EDMI electronic revenue meters and its own Rudolf™ brand of controllers, instrumentation and power quality systems, which complements Boer Power's existing business as an one-stop designer, manufacturer and seller of high quality integrated electrical distribution systems and solutions. This allows the combined entity to benefit from the synergies of Boer Power with SMB United in areas such as the improvement in operational efficiency and increase of overall competitiveness of the combined entity.

Mr. Qian Yixiang, Chairman and Chief Executive Officer of Boer Power, said "Besides augmenting our already strong product line-up, the Offer marks a strategic step in our goal of expansion into the international arena. Boer Power, being the largest high-end electrical distribution systems and solutions provider in China, will be able to tap onto SMB United's established sales channels in Europe, Australia and Asia to ride on the growing trend of smart grid networks internationally."

The Offer Price

The Offer Price represents a premium over historical trading prices and reported Net Asset Value ("**NAV**") of SMB United.

The Offer Price of S\$0.32 for each Offer Share represents:

- a premium of approximately 16.4% over the last transacted price per SMB Share on the SGX of S\$0.275 on 28 October 2011, being the last full day trading in the Shares prior to the date of this Announcement (the "**Last Trading Day**");
- a premium of approximately 16.8% over the volume weighted average price on the SGX ("**VWAP**") of S\$0.274 for the 1-month period prior to the Last Trading Day;
- a premium of approximately 21.7% over the VWAP of S\$0.263 for the 3-month period prior to the Last Trading Day;
- a premium of approximately 23.1% over the VWAP of S\$0.260 for the 6-month period prior to the Last Trading Day;
- a premium of approximately 28.0% over the VWAP of S\$0.250 for the 12-month period prior to the Last Trading Day; and

- a premium of approximately 9.2% to the NAV per SMB Share of S\$0.293 as at 30 June 2011.

Mr. Qian continued, "Given that the average 12-month daily trading volume up to 28 October 2011 was only 0.16% of the total number of issued SMB Shares, we encourage shareholders of SMB United to take advantage of the unique exit opportunity represented by the Offer, to cash out at a premium. This option might not otherwise be readily available due to the low liquidity of SMB United's Shares."

Intention of the Offeror

It is the intention of the Offeror to privatise SMB United and to delist SMB United from the official list of the SGX, should the option be available to the Offeror. If the Offeror acquires not less than 90% of the total issued shares of SMB United (other than those shares already held at the date of the Offer by the Offeror, its related corporations and their respective nominees and SMB Shares held in treasury), the Offeror would have the right to compulsorily acquire all the shares of SMB United not acquired by the Offeror pursuant to the Offer.

If the Offeror succeeds in garnering acceptances exceeding 90% of the total number of SMB Shares (excluding SMB Shares held in treasury), the SGX may suspend trading of the SMB Shares only at the close of the Offer. In the event that the trading of SMB Shares on the SGX is suspended the Offeror does not intend to undertake or support any action for any such listing suspension by the SGX to be lifted.

This press release should be read in conjunction with the full text of the Offer Announcement, available on the website of the Singapore Exchange Securities Trading Limited ("**SGX**") at www.sgx.com on 31 October 2011.

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Boer Power Holdings Limited

Boer Power Holdings Limited is a leading one-stop designer, manufacturer and seller of high-quality integrated electrical distribution systems and solutions in China with over 20 years of industry experience. As the largest pure-domestic electrical distribution systems and solutions provider in the high-end segment of the electrical distribution equipment market. The company has 13 subsidiaries, five of which are operating subsidiaries located in Shanghai, Wuxi, and Yixing.

The value chain of power utilization in the electricity system, as a whole, consists of power

generation, power transmission and transformation, power distribution, system control, smart grid applications and final consumption by end-users. Our electrical distribution systems and solutions serve the High Voltage and Low Voltage parts of the value chain which are applied in the stages of power distribution, system control, smart grid applications and final consumption by end-users in the electricity system.

For more information please visit: www.boerpower.com/english/

Responsibility Statement

The directors of the Offeror and Boer Power (including those who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or publicly available sources (including, without limitation, information in relation to the Offeree Group), the sole responsibility of the directors of the Offeror and Boer Power 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 press release.

IMPORTANT NOTICE

This press release should be read in conjunction with the full text of the Offer Announcement dated 31 October 2011 ("Offer Announcement"), available on the SGX website at www.sgx.com. If you are in any doubt about the Offer, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. All capitalized terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the Offer Announcement.

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