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SinoPoly

Sinopoly Battery Limited

中聚電池有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 729)

**COMPLETION OF PLACING OF NEW SHARES
UNDER GENERAL MANDATE
AND
ADJUSTMENT TO CONVERSION PRICE OF CONVERTIBLE BONDS**

COMPLETION OF PLACING

The Board is pleased to announce that completion of the Placing took place on 9 August 2011. 700,000,000 new Shares have been successfully placed by the Placing Manager to not less than six Places.

The net proceeds from the Placing of approximately HK\$358.9 million are intended to be used as capital expenditure in relation to the second-phase expansion in the Group's battery production facilities and general working capital of the Group.

ADJUSTMENT TO CONVERSION PRICE OF CONVERTIBLE BONDS

As a result of completion of the Placing on 9 August 2011, the conversion price of the Convertible Bonds issued by the Company in May 2010 has been adjusted from HK\$0.20 per Share to HK\$0.19 per Share pursuant to the terms and conditions of the instrument constituting the Convertible Bonds with effect from 9 August 2011.

Reference is made to the announcement of the Company dated 29 July 2011 (the "Announcement"). Terms used herein shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

COMPLETION OF PLACING

The Board is pleased to announce that completion of the Placing took place on 9 August 2011 and 700,000,000 new Shares have been successfully placed by the Placing Manager to not less than six Placees pursuant to the terms and conditions of the Placing Agreement. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placees are independent institutional and/or professional investors who are and whose ultimate beneficial owners are Independent Third Parties. None of the Placees has become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after completion of the Placing.

The 700,000,000 new Shares represented approximately 6.80% of the existing issued share capital of the Company immediately prior to completion of the Placing and approximately 6.37% of the issued share capital of the Company as enlarged by the allotment and issue of the 700,000,000 new Shares.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structures of the Company (i) immediately before completion of the Placing; and (ii) upon completion of the Placing.

Shareholders	Immediately before completion of the Placing		Immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Union Ever Holdings Limited (Note 1)	1,713,380,143	16.65	1,713,380,143	15.59
Glorious China Investments Limited	1,098,099,998	10.67	1,098,099,998	9.99
Silver Ride Group Limited (Note 2)	1,055,000,001	10.25	1,055,000,001	9.60
Placees	-	-	700,000,000	6.37
Other public Shareholders	<u>6,425,052,427</u>	<u>62.43</u>	<u>6,425,052,427</u>	<u>58.45</u>
Total	<u>10,291,532,569</u>	<u>100.00</u>	<u>10,991,532,569</u>	<u>100.00</u>

Notes:

1. Union Ever Holdings Limited is wholly-owned by Mr. Maio Zhenguo, an executive Director and the Deputy Chairman and Chief Executive Officer of the Company.
2. Silver Ride Group Limited is wholly-owned by Mr. Chen Jian, a director of certain subsidiaries of the Company.

PROCEEDS FROM THE PLACING

The gross proceeds from the Placing are HK\$364 million. After taking into account the estimated expenses of approximately HK\$5.1 million in relation to the Placing, the net proceeds of approximately HK\$358.9 million are intended to be used as capital expenditure in relation to the second-phase expansion in the Group's battery production facilities and general working capital of the Group.

ADJUSTMENT TO CONVERSION PRICE OF CONVERTIBLE BONDS

As a result of completion of the Placing on 9 August 2011, the conversion price of the outstanding convertible bonds due 2018 (the "**Convertible Bonds**") issued by the Company in May 2010 has been adjusted from HK\$0.20 per Share to HK\$0.19 per Share pursuant to the terms and conditions of the instrument constituting the Convertible Bonds with effect from 9 August 2011. The adjustment was computed in accordance with the provisions of the instrument constituting the Convertible Bonds and has been reviewed and confirmed by the Company's auditor.

Save for the above adjustment, the other terms and conditions of the Convertible Bonds remain unchanged.

By order of the Board of
Sinopoly Battery Limited
Jaime Che
Executive Director

Hong Kong, 9 August 2011

As of the date of this announcement, the Board comprises Mr. Miao Zhenguo (Deputy Chairman and Chief Executive Officer), Mr. Lo Wing Yat and Mr. Xu Donghui (Chief Operating Officer) and Mr. Jaime Che as executive directors; and Mr. Chan Yuk Tong, Mr. Fei Tai Hung and Mr. Tse Kam Fow as independent non-executive directors.

Website: <http://www.sinopolybattery.com>