

Voluntary Conditional Cash Offer

by

United Overseas Bank Limited

(Company Registration No.: 193500026Z)
(Incorporated in Singapore)

DBS Bank Ltd.

(Company Registration No.: 196800306E)
(Incorporated in Singapore)

and

for and on behalf of

Primero Investment Holdings Pte. Ltd.

(Company No.: 202014091W)
(Incorporated in Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

Perennial Real Estate Holdings Limited

(Company Registration No.: 200210338M)
(Incorporated in Singapore)

OFFER ANNOUNCEMENT

1. Introduction

United Overseas Bank Limited (“**UOB**”) as the lead financial adviser to Primero Investment Holdings Pte. Ltd. (the “**Offeror**”) and DBS Bank Ltd. (“**DBS**”, and together with UOB, the “**Financial Advisers**”) as the financial adviser to the Offeror, wish to announce, for and on behalf of the Offeror, that the Offeror intends to make a voluntary conditional cash offer (“**Offer**”) for all the issued and paid-up ordinary shares (“**Shares**”) in the capital of Perennial Real Estate Holdings Limited (the “**Company**”), excluding Shares held in treasury.

2. The Offer

2.1 General. Subject to the terms and conditions set out in the formal offer document (the “**Offer Document**”) to be issued by the Financial Advisers, for and on behalf of the Offeror, the Offeror will make the Offer for all the Shares, excluding Shares held in treasury, in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore, and the Singapore Code on Take-overs and Mergers (the “**Code**”).

2.2 Offer Price. The consideration for each Offer Share (as defined in **paragraph 2.3** below) (the “**Offer Price**”) will be as follows:

For each Offer Share: S\$0.95 in cash.

The Offer Price is final and the Offeror will not increase the Offer Price.

2.3 Offer Shares. The Offer, when made, will be extended to:

- (i) all Shares (excluding Shares held in treasury); and
- (ii) all new Shares unconditionally issued or to be issued pursuant to the valid exercise of any options (the “**Options**”) granted under the Perennial Employee Share Option Scheme 2014 (the “**Option Scheme**”) prior to the final closing date of the Offer,

in each case including any Shares owned, controlled or agreed to be acquired by parties acting in concert or deemed to be acting in concert with the Offeror in relation to the Offer (all such Shares, “**Offer Shares**”).

2.4 No Encumbrances. The Offer Shares will be acquired (i) fully paid, (ii) free from any claim, charge, pledge, mortgage, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing (each, an “**Encumbrance**”) and (iii) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement (the “**Announcement Date**”) and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (the “**Distributions**”) declared, paid or made by the Company in respect of the Offer Shares on or after the Announcement Date, save as stated in **paragraph 2.5** below.

2.5 Adjustment for Distributions. Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Announcement Date.

Accordingly, save for the Final Dividend (as defined below), in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such Distribution where the Offeror is not entitled to receive such Distribution.

On 20 February 2020, the directors of the Company recommended a final cash dividend of 0.20 cents per Share (the “**Final Dividend**”) in respect of the financial year ended 31 December 2019 for approval by shareholders of the Company (“**Shareholders**”) at the Annual General Meeting of the Company to be held on 26 June 2020. The record date for determining the entitlements of Shareholders to the Final Dividend is 7 July 2020, 5.00 p.m..

The Offeror does not intend to reduce the Offer Price by the amount of the Final Dividend. Accordingly, in the event the Offer becomes unconditional in all respects and the Offeror receives the Final Dividend in respect of any Offer Shares validly tendered by an accepting Shareholder in accordance with the Offer, the Offeror will pay an amount equal to the Final Dividend in respect of such Offer Shares to such accepting Shareholder within 14 days of receipt by the Offeror of the Final Dividend from the Company. Shareholders who receive the Final Dividend from the Company will not be entitled to receive any additional amount from the Offeror under the Offer or otherwise in respect of any Offer Shares tendered by them in acceptance of the Offer.

2.6 Minimum Acceptance Condition. The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it before or during the Offer, will result in the Offeror and parties acting in concert with it holding such number of Shares carrying not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury) as at the close of the Offer (including any voting rights attributable to Shares unconditionally issued or to be issued pursuant to the valid exercise of Options prior to the final closing date of the Offer) (the “**Minimum Acceptance Condition**”).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it before or during the Offer, will result in the Offeror and parties acting in concert with it holding such number of Shares carrying not less than 90% of the maximum potential issued share capital of the Company. For this purpose, the “**maximum potential issued share capital of the Company**” means the total number of Shares which would be in issue had all Shares under the Options (other than those in respect of which the Options Proposal (as defined in **paragraph 3** below) is accepted) been issued.

Save for the Minimum Acceptance Condition, the Offer is unconditional in all respects.

3. Options Proposal

As at the Announcement Date, based on the latest information available to the Offeror, there are 90,934,000 outstanding Options issued under the Option Scheme which are exercisable into 90,934,000 Shares. The Offeror intends to make an appropriate proposal or offer (the “**Options Proposal**”) to the holders of the Options (“**Optionholders**”), further details of which will be set out in the Offer Document.

4. Information on the Consortium and the Offeror

4.1 Consortium and Consortium Members. The Offer is undertaken by a consortium comprising:

- (i) HPRY Holdings Limited (“**HPRY**”), a company wholly owned by Mr Kuok Khoon Hong (“**KKH**”);
- (ii) WCA Pte. Ltd. (“**WCA**”), a wholly-owned subsidiary of Wilmar International Limited (“**Wilmar**”);
- (iii) V3 Asset Pte. Ltd. (“**V3**”), a company wholly owned by Mr Ron Sim Chye Hock (“**RS**”);
- (iv) PSG Holdings Pte. Ltd. (“**PSGH**”), a company wholly owned by Mr Pua Seck Guan (“**PSG**”); and
- (v) Beaufort Investment Global Company Limited (“**HOPU**”), an entity managed or advised by HOPU Fund Management Company Limited or its affiliates,

(each, a “**Consortium Member**” and collectively, the “**Consortium**”). The Consortium has established the Offeror for the purposes of carrying out the Offer.

4.2 Offeror. The Offeror is an investment holding company incorporated in Singapore on 20 May 2020. The Offeror has not carried on any business since its incorporation, except to enter into certain agreements in connection with the formation of the Consortium. As at the Announcement Date:

- (i) the Offeror has an issued and paid-up share capital of S\$100, consisting of 10,000 ordinary shares (each, an “**Offeror Share**”). Each Consortium Member holds and/or controls the following number of Offeror Shares representing such shareholding percentage in the Offeror as set out against its name below:

Consortium Member	Number of Offeror Shares held and/or controlled	% of Offeror Shares in Issue
HPRY	3,653	36.53
WCA	2,004	20.04
V3	1,545	15.45
PSGH	1,041	10.41
HOPU	1,757	17.57

; and

- (ii) the directors of the Offeror are as follows:

- (a) KKH;
- (b) Ms Teo La-Mei;
- (c) RS;
- (d) PSG; and
- (e) Mr Fang Fenglei.

4.3 Consortium Arrangements. The Consortium has entered into several arrangements including the following:

(i) **Irrevocable Undertakings:**

No.	Party providing the Irrevocable Undertaking	Number of Shares held/controlled
1.	HPRY	466,575,921
2.	Longlin Asia Limited	67,502,563
3.	Hong Lee Holdings (Pte) Ltd	45,493,398
4.	Pearson Investments Ltd	3,208,185
5.	Kuok Hock Swee & Sons Sdn Bhd	8,020,464
6.	KPW Investments Limited	5,200,000
7.	KMH Investments Limited	5,200,000
8.	Jaygar Holdings Limited	5,831,285
9.	WCA	333,028,874
10.	RS (together with V3)	256,711,699
11.	PSGH	98,394,270
12.	PSG ¹	74,533,324
	Total	1,369,699,983

Each of the entities and individuals in the table set out above (the entities comprising 1 to 8 of the table collectively, the “**KKH Undertaking Group**”) have given an irrevocable undertaking (collectively, the “**Irrevocable Undertakings**”) in favour of the Offeror to:

- (a) accept, or (where applicable) procure the acceptance of, the Offer in respect of the Shares that are held or controlled by it/him;
- (b) defer receipt of the consideration payable for the respective Undertaking Shares (as defined below) that are tendered in acceptance of the Offer to a date after the close of the Offer; and
- (c) (in relation to PSG only) not exercise, and instead accept the Options Proposal in respect of, all his 20,400,000 Options (the “**PSG Options**”) outstanding as at the Announcement Date which are exercisable into 20,400,000 new Shares, and to defer receipt of the consideration payable for the PSG Options to a date after the close of the Offer.

The aggregate number of Shares subject to the Irrevocable Undertakings is 1,369,699,983 Shares (the “**Undertaking Shares**”) representing approximately 82.43% of the issued share capital of the Company as at the Announcement Date.

The Irrevocable Undertakings will terminate if the Offer lapses or is withdrawn without the Offer having become unconditional in all respects for any reason other than a breach of the obligations under each Irrevocable Undertaking.

¹ Please note that as stated at **paragraph 4.3(i)(c)** of this Announcement, PSG has also agreed to accept the Options Proposal in respect of his 20,400,000 Options outstanding as at the Announcement Date which are exercisable into 20,400,000 new Shares.

- (ii) **Rollover and Subscription:** Each Consortium Member (other than HOPU) agrees to subscribe, or in the case of HPRY, agrees to subscribe and procure that the members of the KKH Undertaking Group (other than HPRY) which tendered the Undertaking Shares shall subscribe, for new Offeror Shares in cash. The obligation of each Consortium Member (other than HOPU) to pay for, or in the case of HPRY, to pay for and to procure each member of the KKH Undertaking Group (other than HPRY) to pay for, the new Offeror Shares in cash will be set-off against the obligation of the Offeror to pay the Offer Price to that Consortium Member (except in the case of PSGH, the Offer Price payable to PSGH and PSG) or that member of the KKH Undertaking Group (as the case may be) for his/its Undertaking Shares tendered in acceptance of the Offer (the “**Rollover and Subscription**”).
- (iii) **HOPU Financing:** HOPU has agreed to provide shareholders’ loan(s) in respect of the aggregate of the amount equivalent to the Offer Price multiplied by the total number of Offer Shares (excluding the Undertaking Shares but including any new Shares unconditionally issued or to be issued pursuant to the valid exercise of the Options (other than the PSG Options)) which are acquired by the Offeror during the Offer period (the “**HOPU Financing**”), and the HOPU Financing, to the extent utilised by the Offeror, will be capitalised into Offeror Shares (the “**Capitalisation**”) on or after the close of the Offer.
- (iv) **Board Composition:** Each Consortium Member shall be entitled to nominate a specified number of representatives to the board of the Offeror, subject to each Consortium Member holding not less than a specified percentage of Offeror Shares.
- (v) **Reserved Matters:** The Consortium Members have agreed on a list of reserved matters (including material acquisitions or disposals, material changes in business and/or changes in capital structure) which shall not be undertaken except with the consent of all Consortium Members with a specified percentage of Offeror Shares or each Consortium Member’s nominated director on the board of the Offeror.
- (vi) **Moratorium:** The Consortium Members have agreed that other than in certain prescribed circumstances, they will not transfer their Offeror Shares for one year (in the case of all Consortium Members other than PSGH) and three years (in the case of PSGH) from the date of the Rollover and Subscription, without the consent of the other Consortium Members. After the expiry of each respective moratorium period, the Consortium Members may transfer their Offeror Shares subject to certain restrictions on transfer and certain conditions being satisfied.

4.4 Resultant Shareholding in the Offeror. Following the Rollover and Subscription and the Capitalisation, it is contemplated that each Consortium Member will have (or in the case of HPRY, through HPRY and the other members of the KKH Undertaking Group, have) the following shareholding percentages in the Offeror assuming full acceptances of the Offer, and further assuming that (A) none of the outstanding Options are exercised into Shares; and (B) all of the outstanding Options (other than the PSG Options) are exercised into Shares:

Consortium Member	Shareholding Percentage in the Offeror	
	(A) Assuming no Options are exercised	(B) Assuming all outstanding Options (other than the PSG Options) are exercised
HPRY ²	36.53%	35.04%
WCA	20.04%	19.23%
V3	15.45%	14.82%
PSGH	10.41%	9.98%
HOPU	17.57%	20.93%

5. Information on the Company

5.1 General. The Company was incorporated on 28 November 2002 and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Company is an integrated real estate and healthcare company headquartered and listed in Singapore. The Company is a real estate owner, developer and manager and focuses strategically on large-scale mixed-use developments. As at the Announcement Date, the Company has:

- (i) an issued and fully paid up share capital of S\$2,213,249,149.66, comprising 1,661,709,368 Shares (excluding Shares held in treasury); and
- (ii) outstanding Options issued under the Option Scheme which are exercisable into 90,934,000 Shares.

5.2 Directors. As at the Announcement Date, the directors of the Company are as follows:

- (i) Mr Kuok Khoon Hong (Chairman, Non-Independent and Non-Executive Director);
- (ii) Mr Ron Sim Chye Hock (Vice-Chairman, Non-Independent and Non-Executive Director);
- (iii) Mr Eugene Paul Lai Chin Lock (Independent and Non-Executive Director);
- (iv) Mr Ooi Eng Peng (Independent and Non-Executive Director);
- (v) Mr Lee Suan Hiang (Independent and Non-Executive Director);
- (vi) Mr Chua Phuay Hee (Independent and Non-Executive Director); and
- (vii) Mr Pua Seck Guan (Chief Executive Officer and Executive Director).

² HPRY’s shareholding percentage in the Offeror as set out in this table includes the Offeror Shares that will be held by the other members of the KKH Undertaking Group.

6. Rationale for the Offer

The ongoing COVID-19 pandemic has had an adverse impact on the global economy. China saw its gross domestic product (“GDP”) decline by 6.8 per cent. in the first quarter of 2020 compared with a year earlier.³ Likewise, the Ministry of Trade and Industry announced on 26 May 2020 that “the GDP growth forecast for Singapore for 2020 is downgraded to “-7.0 to -4.0 per cent”, from “-4.0 to -1.0 per cent”.

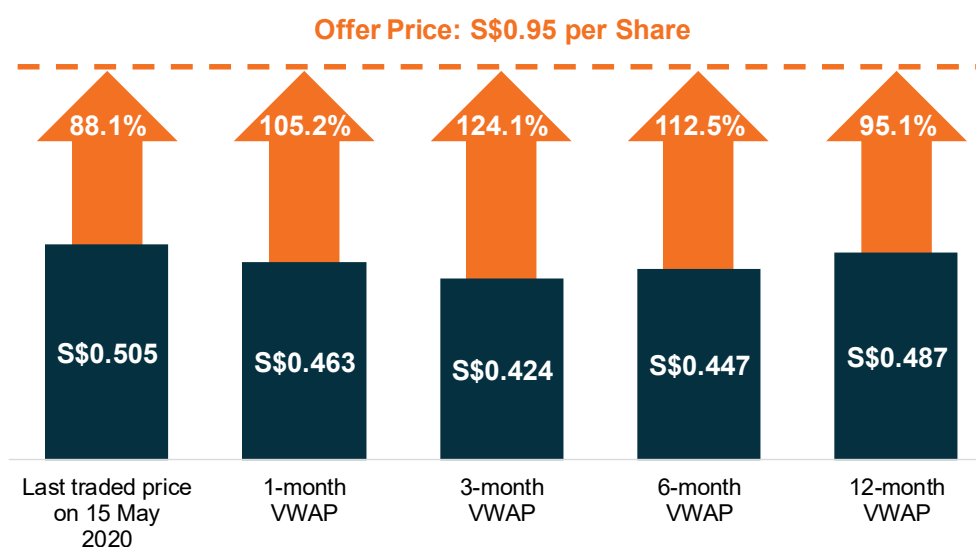
The Offeror is of the view that the Offer represents an opportunity for Shareholders to realise their investment in the Shares at a premium to historical market prices in an uncertain economic environment.

(i) Opportunity for Shareholders to realise their investment at a premium without incurring brokerage fees

(a) As set out in **paragraph 8** of this Announcement, the Offer Price represents a premium of approximately:

(1) 88.1 per cent. over the last traded price per Share on 15 May 2020, being the last full trading day on which the Shares were traded on the SGX-ST prior to the voluntary announcement dated 18 May 2020 by the Company that certain of its substantial shareholders are reviewing the options in relation to their holdings in the Company (the “**Relevant Trading Date**”); and

(2) 95.1 per cent., 112.5 per cent., 124.1 per cent. and 105.2 per cent. over the volume weighted average price (“**VWAP**”) of the Shares over the 12-, six-, three- and one-month periods, respectively, up to and including the Relevant Trading Date.

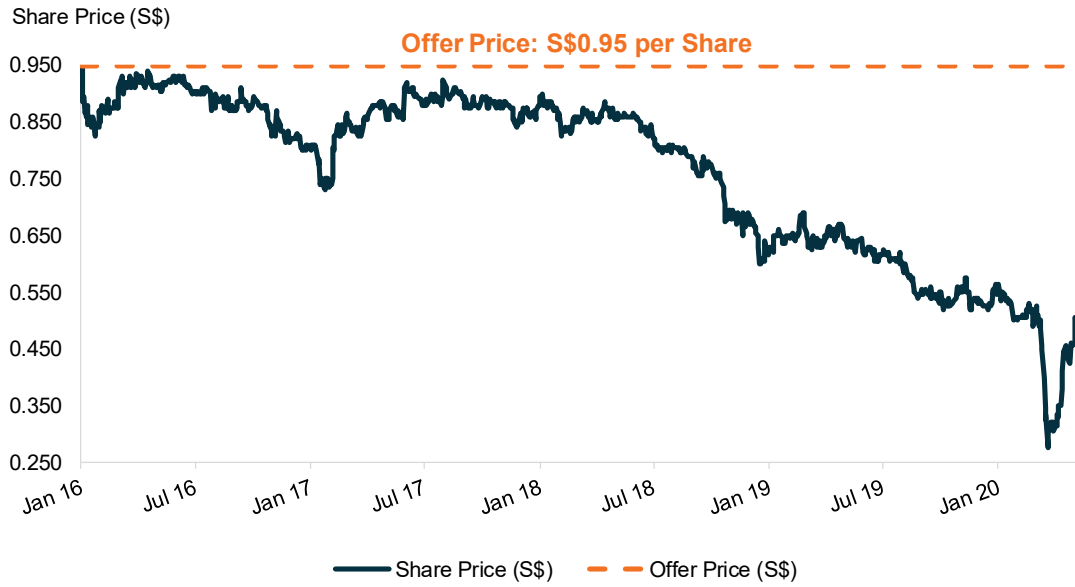


³ Preliminary estimates from the National Bureau of Statistics of China - 17 April 2020

Notes:

- (1) S\$ figures (other than the Offer Price) are based on data extracted from Bloomberg L.P. on 15 May 2020, being the Relevant Trading Date, and rounded to the nearest three decimal places.
- (2) Premia rounded to the nearest one decimal place.

(b) The Offer Price exceeds the highest closing price of the Shares in over 4 years preceding the Relevant Trading Date.⁴



Notes:

- (1) Trading data extracted from Bloomberg L.P. on 15 May 2020, being the Relevant Trading Date.

(ii) **Opportunity for Shareholders who may otherwise find it difficult to exit their investment in the Company due to low trading liquidity**

The historical trading liquidity of the Shares on the SGX-ST has been low. The average daily trading volume of the Shares over the 12-, six-, three- and one-month periods up to and including the Relevant Trading Date are detailed in the table below.

	One-month	Three-month	Six-month	Twelve-month
Average daily trading volume as a percentage (%) of total number of issued Shares	0.024%	0.018%	0.012%	0.008%

Notes:

- (1) The average daily trading volume is based on data extracted from Bloomberg L.P. as at the Relevant Trading Date and calculated using the daily total volume of Shares traded divided by the total number of issued Shares.
- (2) The percentage figures are rounded to the nearest three decimal places.

⁴ The highest closing price of the Shares since 4 January 2016 is S\$0.945 as sourced from Bloomberg L.P.

(iii) **Greater flexibility to raise capital in support of the Company's future growth**

The Company will require a significant amount of capital to pursue its growth objectives in China through investments in large scale integrated development projects. The general decline in the Company's Share price has made it challenging to raise equity capital, compounded by the potential dilution to Shareholders' interests. Given this, the Company has opted not to pursue equity fundraising over the past five years.

HOPU and its affiliates have a strong track record of investment in China and experience in partnering with management teams to drive growth. By privatising the Company together with HOPU, the Consortium believes the Company will be able to secure a new long-term capital partner and tap on the track record and experience of HOPU and its affiliates. In addition, the Company will have greater flexibility to obtain equity funding from the Consortium and private sources, which will allow it to operate more efficiently in achieving its growth objectives.

(iv) **Greater management flexibility**

The Offeror is making the Offer with a view to delist the Company from the SGX-ST and exercise its rights of compulsory acquisition. The Offeror is of the view that privatising the Company will provide more flexibility in managing and optimising the use of the Company's resources and allow the Company to focus on its strategic pursuits of acquiring and developing integrated development projects next to transportation hubs, repositioning its operating assets and growing its healthcare management business.

(v) **Costs of maintaining listing status**

In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Listing Manual of the SGX-ST (the "**Listing Manual**"). In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations.

7. The Offeror's Intentions for the Company

Save as disclosed above and other than in the ordinary course of business, the Offeror currently has no plans to (i) introduce any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of any of the existing employees of the Company and its subsidiaries (the "**Group**"). However, the board of directors of the Offeror retains the flexibility at any time to consider any options in relation to the Group which may present themselves and which it may regard to be in the interest of the Offeror.

8. Financial Evaluation of Offer

The Offer Price represents the following premia/(discount) over the benchmark prices of the Shares:

Description	Benchmark Price ⁵	Premium/(Discount) over Benchmark Price
Last traded price per Share prior to the Announcement Date ⁶	S\$0.690	37.7%
Last traded price per Share on the Relevant Trading Date (being 15 May 2020)	S\$0.505	88.1%
VWAP for the one-month period prior to and including the Relevant Trading Date	S\$0.463	105.2%
VWAP for the three-month period prior to and including the Relevant Trading Date	S\$0.424	124.1%
VWAP for the six-month period prior to and including the Relevant Trading Date	S\$0.447	112.5%
VWAP for the 12-month period prior to and including the Relevant Trading Date	S\$0.487	95.1%

9. Listing Status and Compulsory Acquisition

9.1 Listing Status and Trading Suspension. Under Rule 1105 of the Listing Manual, upon announcement by the Offeror that acceptances have been received that bring the holdings of the Shares owned by the Offeror and parties acting in concert with the Offeror to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the listed securities of the Company at the close of the Offer.

Shareholders are advised to note that Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares (excluding Shares held in treasury) is at all times held by the public (the “**Free Float Requirement**”). In addition, under Rule 724

⁵ All the benchmark prices set out in this column are based on the data extracted from Bloomberg L.P. on the Relevant Trading Date and rounded to the nearest three decimal places.

⁶ Based on the last traded price of the Shares on 9 June 2020 prior to the trading halt on 10 June 2020.

of the Listing Manual, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all securities of the Company on the SGX-ST. Rule 724 of the Listing Manual further states that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, for the percentage of the total number of issued Shares (excluding Shares held in treasury) held by members of the public to be raised to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.

In the event the Company does not meet the Free Float Requirement, the Offeror does not intend to preserve the listing status of the Company and does not intend to take any steps for any trading suspension in the securities of the Company to be lifted.

- 9.2 Compulsory Acquisition Rights.** Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (“**Companies Act**”), if the Offeror receives valid acceptances pursuant to the Offer for not less than 90% of the Shares in issue as at the close of the Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Offer Shares of the Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”) on the same terms as those offered under the Offer.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

- 9.3 Dissenting Shareholders’ Rights.** Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding Shares held in treasury) as at the close of the Offer. **Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.** Unlike Section 215(1) of the Companies Act, the 90% threshold under Section 215(3) of the Companies Act does not exclude Shares held by the Offeror, its related corporations or their respective nominees as at the date of the Offer.

10. Confirmation of Financial Resources

UOB and DBS, as the Financial Advisers to the Offeror in connection with the Offer, confirm that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer, excluding (i) the consideration payable for the Undertaking Shares (which consideration will be subject to the set-off referred to in **paragraph 4.3(ii)** above) and (ii) the consideration in relation to the PSG Options (which will be deferred as set out in **paragraph 4.3(i)(c)** above).

11. Disclosure of Holdings and Dealings

- 11.1 Holdings and Dealings in Relevant Securities.** As at the Announcement Date and subject to **paragraph 11.3** below, save as disclosed in Parts 1 and 2 of the **Appendix** and in this Announcement, none of (i) the Offeror and its directors; (ii) KKH and the KKH Undertaking Group; (iii) WCA and Wilmar; (iv) RS, Mdm Teo Sway Heong (“**Mdm Teo**”) and V3 and its

directors; (v) PSG and PSGH; (vi) HOPU; and (vii) the Financial Advisers (collectively, the “**Relevant Parties**” and each, a “**Relevant Party**”):

- (i) owns, controls or has agreed to acquire any Shares, securities which carry voting rights in the Company, or convertible securities, warrants, options, awards or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, “**Relevant Securities**”); or
- (ii) has dealt for value in any Relevant Securities in the three months preceding this Announcement.

As at the Announcement Date, based on the information available to the Offeror to date, the Relevant Parties hold in aggregate 1,369,935,344 Shares, representing 82.44% of the issued Shares (excluding Shares held in treasury).

11.2 Other Arrangements. As at the Announcement Date, save as disclosed in Part 1 of the **Appendix** and in this Announcement, none of the Relevant Parties have:

- (i) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Relevant Securities which might be material to the Offer, other than financing facilities taken by the Consortium Members in connection with the funding of the Offer and Options Proposal or for the purposes of discharging existing Encumbrances over the Undertaking Shares (where applicable);
- (ii) received any irrevocable commitment to accept the Offer in respect of any Relevant Securities, save for the Irrevocable Undertakings;
- (iii) granted any security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;
- (iv) borrowed any Relevant Securities from any other person (excluding those which have been on-lent or sold); or
- (v) lent any Relevant Securities to any other person.

11.3 Further Enquiries. In the interests of confidentiality, the Offeror has not made enquiries prior to this Announcement in respect of certain other parties who are or may be deemed to be acting in concert with the Offeror in connection with the Offer. For the same reason, each of UOB and DBS has not made any enquiries in respect of persons within UOB and DBS who have no knowledge of the transaction or of the other members of its group. Further enquiries will be made of such persons subsequent to this Announcement and the relevant disclosures will be made in due course and in the Offer Document.

12. Offer Document

The Offer Document containing the terms and conditions of the Offer and the appropriate forms of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Announcement Date. **The Offer will remain open for approval and acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document.**

13. Important Notice to Shareholders

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

14. Overseas Shareholders

The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of shareholders of the Company or, as the case may be, in the records of The Central Depository (Pte) Limited (collectively, "**Overseas Shareholders**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

Where there are potential restrictions on sending the Offer Document to any overseas jurisdictions, each of the Offeror and the Financial Advisers reserves the right not to send the Offer Document to such overseas jurisdictions. Where there are potential restrictions on sending the Offer Document to any overseas jurisdictions, each of the Offeror and the Financial Advisers reserves the right not to send the Offer Document to such overseas jurisdictions.

For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.

15. Responsibility Statement

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

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by
United Overseas Bank Limited and DBS Bank Ltd.

For and on behalf of
Primero Investment Holdings Pte. Ltd.

12 June 2020
Singapore

Any enquiries relating to this Announcement or the Offer should be directed during office hours to:

United Overseas Bank Limited
Tel: +65 6539 7066

DBS Bank Ltd.
Tel: +65 6878 6212

Appendix

Part 1 – Details of Holdings of Relevant Parties as at Announcement Date

	Direct Interests		Deemed Interests		Total Interests	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
KKH	-	-	607,031,816 ⁽²⁾	36.53%	607,031,816	36.53
HPRY	466,575,921 ⁽³⁾	28.08	-	-	466,575,921	28.08
Longlin Asia Limited	67,502,563 ⁽³⁾	4.06	-	-	67,502,563	4.06
Hong Lee Holdings (Pte) Ltd	45,493,398 ⁽³⁾	2.74	-	-	45,493,398	2.74
Pearson Investments Ltd	3,208,185 ⁽³⁾	0.19	-	-	3,208,185	0.19
Kuok Hock Swee & Sons Sdn Bhd	8,020,464 ⁽³⁾	0.48	-	-	8,020,464	0.48
KPW Investments Limited	5,200,000 ⁽³⁾	0.31	-	-	5,200,000	0.31
KMH Investments Limited	5,200,000 ⁽³⁾	0.31	-	-	5,200,000	0.31
Jaygar Holdings Limited	5,831,285 ⁽³⁾	0.35	-	-	5,831,285	0.35
Wilmar	-	-	333,028,874 ⁽⁴⁾	20.04	333,028,874	20.04
WCA	333,028,874	20.04	-	-	333,028,874	20.04
Ms Teo La-Mei	41,000	n.m.	-	-	41,000	n.m.
V3	- ⁽⁵⁾	-	-	-	-	-
RS	254,652,664 ⁽³⁾⁽⁶⁾	15.32	2,059,035 ⁽⁷⁾	0.12	256,711,699	15.45

	Direct Interests		Deemed Interests		Total Interests	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mdm Teo	2,059,035	0.12	-	-	2,059,035	0.12
Ms Sim Yu Juan, Rachel	194,361	0.01	-	-	194,361	0.01
PSG ⁽⁹⁾	74,533,324 ⁽³⁾⁽¹⁰⁾	4.49	98,394,270 ⁽⁸⁾	5.92	172,927,594	10.41
PSGH	98,394,270 ⁽³⁾⁽¹¹⁾	5.92	-	-	98,394,270	5.92
Total	1,369,935,344	82.44				

Notes:

- (1) As a percentage of the total number of Shares in issue as at the Announcement Date. For the purposes of the table above, all percentage figures are rounded to the nearest two decimal places.
- (2) KKH's deemed interest arises through the 607,031,816 Shares in aggregate held by HPRY; Longlin Asia Limited; Hong Lee Holdings (Pte) Ltd; Pearson Investments Ltd; Kuok Hock Swee & Sons Sdn Bhd; KPW Investments Limited; KMH Investments Limited and Jaygar Holdings Limited.
- (3) Includes Shares held through nominees.
- (4) Wilmar's deemed interest arises through the 333,028,874 Shares held by WCA, its wholly owned subsidiary.
- (5) As at the Announcement Date, V3 does not hold any Shares. Subsequent to this Announcement, V3 will be acquiring the 256,711,699 Shares that are held by RS and Mdm Teo and tendering such Shares in acceptance of the Offer in accordance with the Irrevocable Undertaking provided by RS (together with V3).
- (6) In respect of these Shares, 248,740,784 Shares have been charged to certain financial institutions to secure credit facilities granted to RS.
- (7) RS's deemed interest arises through the 2,059,035 Shares held by Mdm Teo, his spouse.
- (8) PSG's deemed interest arises through the 98,394,270 Shares held by PSGH, PSG's wholly owned special purpose vehicle.
- (9) PSG is also the holder of 20,400,000 Options as at the Announcement Date which are exercisable into 20,400,000 new Shares.
- (10) In respect of these Shares, 1,408,300 Shares have been charged to certain financial institutions to secure credit facilities granted to PSG.
- (11) In respect of these Shares, 80,071,100 Shares have been charged to certain financial institutions to secure credit facilities granted to PSGH.

Part 2 – Dealings by Relevant Parties in Shares in three months preceding this Announcement

Name of Relevant Party	Date	No. of Shares Bought	No. of Shares Sold	Counterparty to Dealing	Nature of transaction	Transaction Price per Share (S\$)
PSG	14 May 2020	15,000,000	-	PSGH	Off-market transfer	Free-of-payment
HPRY	29 May 2020	1,174,787	-	Mdm Yong Lee Lee	Off-market transfer	S\$0.675
HPRY	29 May 2020	100,000	-	Langton Enterprise Ltd	Off-market transfer	S\$0.675