



**SELECT GROUP LIMITED**  
(Company Registration No.: 199500697Z)  
(Incorporated in the Republic of Singapore)  
(the “Company”)

**Directors:**

Tan Chor Khoon  
Tan Choh Peng  
Lee Chye Cheng Adrian  
Lai Kai Jin Michael

**Registered Office:**

24A Senoko South Road  
Select Group Building  
Singapore 758099

4 August 2016

To: The Shareholders of Select Group Limited

Dear Sir/Madam

**DELISTING OF SELECT GROUP LIMITED**

**1. INTRODUCTION**

- 1.1** The Board of Directors (the “**Board**”) of Select Group Limited (the “**Company**”) refers to the voluntary conditional cash offer (the “**Offer**”) by DBS Bank Ltd. (“**DBS**”), for and on behalf of International Culinary Management Ltd (the “**Offeror**”), to acquire all the issued and paid-up ordinary shares (“**Shares**”) in the capital of the Company, other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer.
- 1.2** The Board further refers to the announcement dated 25 July 2016 (the “**Delisting Application Announcement**”) made by the Company in relation to, *inter alia*, the receipt of approval from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the voluntary delisting of the Company from the Catalist board of the SGX-ST (the “**Delisting**”) upon the close of the Offer.
- 1.3** In connection with the Delisting and concurrent with the despatch of this letter (the “**Issuer Letter**”), the Offeror has despatched a letter to shareholders of the Company (“**Shareholders**”) dated 4 August 2016 (the “**Offeror Letter**”) in relation to, *inter alia*, (i) the extension of the Offer to serve as the exit offer for the purposes of the Delisting and (ii) the procedures for acceptance of the Offer. Shareholders are advised to read the terms and conditions contained in the Offeror Letter carefully.
- 1.4** The purpose of this Issuer Letter is to provide Shareholders with relevant information pertaining to the Offer and the Delisting. This Issuer Letter should be read in conjunction with the circular despatched by the Company to Shareholders dated 22 April 2016 in relation to the Offer (the “**Offeree Circular**”), and all documents and announcements issued by the

Company. Capitalised terms used herein and not otherwise defined shall have the meaning ascribed to them in the Offeree Circular.

A copy of each of the Offer Document, the Offeree Circular and the Delisting Application Announcement is available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

## 2. THE DELISTING

### 2.1 Rules 1307 and 1308 of the Catalist Rules

- (i) Under Rule 1307 of the Catalist Rules, the SGX-ST may agree to an application for the Delisting if:
  - (a) the Company convenes a general meeting (“**General Meeting**”) to obtain the approval of the Shareholders for the Delisting;
  - (b) the resolution to delist the Company (the “**Delisting Resolution**”) has been approved by a majority of at least 75 per cent. of the total number of Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the General Meeting (the directors and controlling shareholders of the Company need not abstain from voting on the Delisting Resolution); and
  - (c) the Delisting Resolution has not been voted against by 10 per cent. or more of the total number of Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the General Meeting.
- (ii) Rule 1308 of the Catalist Rules provides that if the Company is seeking to delist from the Official List of the SGX-ST:
  - (a) a reasonable exit alternative, which should normally be in cash, should be offered to the Shareholders and holders of any other classes of listed securities to be delisted; and
  - (b) the Company should normally appoint an independent financial adviser to advise on the exit offer.

**2.2 Offeror’s Intentions.** The Offeror’s intentions relating to the Company have been extracted from the Offeror Letter and set out in italics below. Unless otherwise defined, all terms and expressions used in the extract below and in the extracts in paragraphs 3.2 and 9 below shall have the same meanings as those defined in the Offeror Letter.

*“As stated in the Offer Document, the Offeror does not intend to preserve the listing status of the Company and does not intend to take any step for the public float to be restored and/or for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, inter alia, less than 10% of the total number of issued Shares (excluding any Shares held in treasury) are held in public hands. In addition, the Offeror also reserves the right to seek a Delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1308 of the Catalist Rules.”*

## 2.3 Application for Waiver of Rule 1307 of the Catalist Rules and Confirmation on Compliance with Rule 1308 of the Catalist Rules

As stated in the Delisting Application Announcement, the Company has been informed by the Offeror that:

- (i) the Offeror has on 26 May 2016 submitted an application to the SGX-ST for (A) a waiver from compliance by the Company with Rule 1307 of the Catalist Rules (the “**Rule 1307 Waiver**”) and (B) the SGX-ST’s in-principle approval for the Delisting (the “**Delisting In-principle Approval**”);
- (ii) the SGX-ST has on 15 June 2016 advised that, based on the representations and submissions made by the Offeror to the SGX-ST:
  - (a) the SGX-ST has no objections to granting the Rule 1307 Waiver, subject to a formal delisting application being subsequently submitted by the Company to the SGX-ST and the following:
    - (I) an announcement via SGXNET of the Rule 1307 Waiver granted, the reasons for seeking the Rule 1307 Waiver and the conditions required under Rule 106 of the Catalist Rules;
    - (II) a submission of a written confirmation from the Company that the aggregate shareholdings of the Offeror and its concert parties and Madam Goh Gaik Choo will be more than 90 per cent. for the purpose of approving the delisting of the Company under Rule 1307 of the Catalist Rules with certainty;
    - (III) a submission of a written confirmation from the Company that the Rule 1307 Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company; and
    - (IV) a submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors’ decision which has yet to be announced by the Company; and
  - (b) the SGX-ST has no objection to the Offeror’s proposal of using the current Offer to serve as the exit alternative and to rely on the existing independent financial adviser’s opinion to satisfy Rule 1308 of the Catalist Rules; and
- (iii) the Rule 1307 Waiver and the Delisting In-principle Approval were sought from the SGX-ST based on the following reasons and/or representations given to the SGX-ST:
  - (I) the Offeror had obtained an irrevocable undertaking from Madam Goh Gaik Choo that she will vote or will procure votes in favour of the Delisting, in line with the Offeror, if an Extraordinary General Meeting (“**EGM**”) is convened by the Company to approve the Delisting Resolution.

Accordingly, if an EGM is convened for the purposes of Rule 1307 of the Catalist Rules, the Offeror, together with Madam Goh, will collectively own more than 90 per cent. of the total number of Shares and will be able to unilaterally decide the outcome of the EGM regardless of the votes of the other minority Shareholders of the Company and they will vote all their Shares in favour of the Delisting Resolution.

In view of the above, as it is a foregone conclusion that the Delisting Resolution will be approved, the convening of an EGM will not prove to be of much benefit to the minority Shareholders but would instead cause the Company to incur unnecessary compliance costs if the Company were to be required to convene an EGM to approve the Delisting Resolution;

- (II) the Shareholders will have a reasonable cash alternative available to them under the Offer, as extended by the announcement dated 20 June 2016 by DBS, for and on behalf of the Offeror, that the Closing Date of the Offer is extended to 5.30 p.m. (Singapore time) on 5 July 2016 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror) (the “**Extended Offer**”), pursuant to which they are able to tender their Shares in acceptance of the Extended Offer; and
- (III) the independent financial adviser has already opined that the financial terms of the Offer (which will be the same as those terms under the Extended Offer) are fair and reasonable.

#### **2.4 Receipt of Approval from the SGX-ST**

As stated in the Delisting Application Announcement, further to the application for the Rule 1307 Waiver by the Offeror and the grant of the Delisting In-principle Approval by the SGX-ST, the Offeror has requested the Company to seek the Delisting. The Company has on 11 July 2016 submitted an application (the “**Delisting Application**”) to seek the SGX-ST's approval of the Delisting upon the close of the Offer based on the terms set out in the letter from the SGX-ST to WongPartnership LLP on 15 June 2016. In connection with the Delisting Application, the Company has provided a confirmation of the matters set out in paragraphs 2.3(ii)(a)(II) to 2.3(ii)(a)(IV) above to the SGX-ST.

The SGX-ST has on 25 July 2016 approved the Delisting upon the close of the Offer. Accordingly, the Company will be delisted from the Catalist board of the SGX-ST after the close of the Offer.

**SHAREHOLDERS SHOULD NOTE THAT THE CURRENT OFFER WILL SERVE AS THE EXIT OFFER FOR THE PURPOSE OF THE DELISTING AND THERE WILL NOT BE A SEPARATE EXIT ALTERNATIVE WHICH WILL BE OFFERED TO THE SHAREHOLDERS IN CONNECTION WITH THE DELISTING.**

Please refer to paragraph 3 below and the Offeror Letter for further details on the Offer.

### 3. THE OFFER

**3.1 Closing Date of the Offer.** As stated in the Offeror Letter, the Closing Date of the Offer is extended from 5.30 p.m. (Singapore time) on 8 August 2016 to **5.30 p.m. (Singapore time) on 25 August 2016** (the “**Final Closing Date**”) and the extended Offer, which is on the same terms and conditions as set out in the Offer Document, serves as the exit alternative for the purposes of Rule 1308 of the Catalyst Rules. **Shareholders should note that the Offeror Letter also states that the Offeror has no intention to extend the Offer beyond the Final Closing Date.**

**3.2 Terms of the Offer and Rights under Section 215 of the Companies Act.** The full text of the terms of the Offer and the respective rights of the Shareholders and the Offeror under Section 215 of the Companies Act have been extracted from the Offeror Letter and set out in italics below. **Shareholders are advised to read the extract below carefully.**

“3.2 Pursuant to the Offer Document, the Offer Price for each Offer Share is **S\$0.515<sup>1</sup>** in cash (as adjusted in accordance with paragraph 2.1 of the Offer Document). Further details of the terms and conditions of the Offer are set out in the Offer Document and the announcements made by DBS Bank for and on behalf of the Offeror on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

Note:

(1) After adjustment for the FY2015 Dividend of S\$0.01 per Share which was paid to Shareholders on 27 May 2016.

3.3 As the Offer has become unconditional in all respects, payment of the appropriate amount of the Offer consideration will be made to Shareholders who accept the Offer within seven (7) business days of the date of receipt by or on behalf of the Offeror of acceptances of the Offer which are complete and valid in all respects in accordance with the terms and conditions of the Offer Document, the FAA or the FAT.

### 4 THE OFFEROR MAY NOT BE ENTITLED TO EXERCISE ANY RIGHT OF COMPULSORY ACQUISITION

4.1 Pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total number of issued Shares (the “**Section 215(3) Threshold**”), the Shareholders who have not accepted the Offer have a right to require the Offeror to acquire their Shares at the Offer Price. Such Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

4.2 In addition, pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of issued 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 Shares held in treasury) (the “**Section 215(1) Threshold**”), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from Shareholders who have not accepted the Offer at a price equal to the Offer Price.

4.3 *As the Offeror holds less than 90% of the total number of issued Shares of the Company as at the Latest Practicable Date, neither the Section 215(1) Threshold nor the Section 215(3) Threshold has been met. In the event neither the Section 215(1) Threshold nor the Section 215(3) Threshold is met at 5:30 p.m. on the Final Closing Date:*

- (a) *the Offeror **will not be entitled to exercise its right of compulsory acquisition** under Section 215(1) of the Companies Act;*
- (b) *Shareholders who have not accepted the Offer **will not be entitled to exercise their right under Section 215(3) of the Companies Act** to require the Offeror to acquire their Shares; and*
- (c) *the Company will be delisted from the Catalist board of the SGX-ST after the close of the Offer. As the current Offer will serve as the exit offer for the purposes of the Delisting, there will not be a separate exit alternative which will be offered to the Shareholders in connection with the Delisting. Accordingly, **Shareholders who do not accept the Offer will be left holding Shares which will not be listed on a stock exchange upon the delisting of the Company.***

**3.3 Unconditional Offer.** The Offer has become unconditional in all respects and the Offer is not conditional upon a minimum number of acceptances being received by the Offeror.

#### **4. DELISTING TIMETABLE**

**4.1** An indicative timetable of the Delisting is set out below.

Date of despatch of the Offeror Letter and the Issuer Letter	:	4 August 2016
Final Closing Date of the Offer	:	25 August 2016
Expected date for the suspension of trading of the Shares	:	26 August 2016
Expected settlement date for the final payment of the Offer Price in respect of valid acceptances of the Offer	:	On or around 5 September 2016
Expected date for the Delisting	:	6 September 2016 (subject to confirmation from SGX Issuer Services)

**4.2** Shareholders should note that, save for the date of despatch of the Offeror Letter and the Issuer Letter and the Final Closing Date, the timetable above is indicative only and may be subject to change. Please refer to future announcements by or on behalf of the Offeror and the Company on SGXNET for the exact dates and times of these events.

## 5. IMPLICATIONS OF THE DELISTING FOR SHAREHOLDERS

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders are able to sell their Shares, they may receive a lower price as compared to the Offer Price.** Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its constitution, and the interests of Shareholders who do not accept the Offer will be protected to the extent provided for by the Companies Act.

If the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Offer will be entitled to one (1) share certificate representing his delisted Shares. The Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., will arrange to forward the share certificates to such Shareholders, by ordinary post and at the Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping.

**Shareholders who are in doubt of their position should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

## 6. INFORMATION ON THE OFFEROR, THE CONSORTIUM AND DYMON ASIA PRIVATE EQUITY

Please refer to Appendix 2 to the Offeree Circular for information on the Offeror, the Consortium and Dymon Asia Private Equity.

## 7. ADVICE OF THE IFA

In the IFA Letter set out in the Offeree Circular, CGS (now known as SAC Advisors Private Limited) had made certain recommendations to the Recommending Directors, an extract of which is set out below. Shareholders should read the extract in conjunction with, and in the context of, the full text of the IFA Letter.

*“Based on our analysis, and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Offer are fair and reasonable.*

*Accordingly, we advise the Recommending Directors to recommend Shareholders to ACCEPT the Offer or sell their Shares in the open market if they can obtain a price higher than the Offer Price after deducting expenses.”*

The reference to “Latest Practicable Date” in the extract above is to 15 April 2016, being the Latest Practicable Date as stated in the IFA Letter contained in the Offeree Circular.

## 8. REVISED STATEMENT OF RECOMMENDING DIRECTORS

As stated in the Delisting Application Announcement:

- (i) in the Offeree Circular, the Recommending Directors, having considered carefully the terms of the Offer and the advice given by CGS in the IFA Letter, did not concur with the recommendation of CGS in respect of the Offer for the reasons set out in the Offeree Circular and had recommended that Shareholders do not accept the Offer (the “**Previous Recommendation**”). The Previous Recommendation and the advice given by CGS in the IFA Letter should be read in conjunction with, and in the context of, the full text of the Offeree Circular (including the IFA Letter contained in the Offeree Circular);
- (ii) Mr Michael Lai Kai Jin and Mr Adrian Lee Chye Cheng, being the remaining Recommending Directors in office as at the date of the Delisting Application Announcement, are of the view that the Previous Recommendation still applies notwithstanding the Delisting, and accordingly recommend that Shareholders do not accept the Offer for the reasons set out in the Offeree Circular; and
- (iii) in making their recommendation, the remaining Recommending Directors in office as at the date of the Delisting Application Announcement have not had regard to the specific objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. Accordingly, the remaining Recommending Directors in office as at the date of the Delisting Application Announcement recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

## 9. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS

The Offeror Letter sets out information pertaining to CPFIS Investors and SRS Investors, as follows:

“5.7 *CPFIS Investors and SRS Investors who wish to accept the Offer but have not done so should contact their respective CPF Agent Banks and SRS Agent Banks as to the deadline by which such banks would need to receive instructions in order to tender their acceptances of the Offer prior to the Final Closing Date.*”

## 10. ACTION TO BE TAKEN BY SHAREHOLDERS

The Offeror Letter (including the FAA) has been despatched concurrently with this Issuer Letter.

Shareholders who wish to accept the Offer must do so not later than 5.30 p.m. (Singapore time) on the Final Closing Date, abiding by the procedures for the acceptance of the Offer as set out in the Offeror Letter (including the Appendix to the Offeror Letter), the Offer Document, the FAA and/or the FAT.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by CDP (in respect of the FAA) or the Offeror's receiving agent, Boardroom Corporate & Advisory Services Pte. Ltd., (in respect of the FAT), as the case may be, not later than 5.30 p.m. (Singapore time) on the Final Closing Date.

The Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offeror Letter, the FAA and/or the FAT which have been sent to them.

## **11. GENERAL**

**11.1 Costs and Expenses.** All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.

**11.2 Consent of the IFA.** SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.) has given and has not withdrawn its written consent to the issue of this Issuer Letter with the inclusion herein of its name and references to its letter dated 22 April 2016 relating to its advice to the Recommending Directors in respect of the Offer, in the form and context in which they appear in the Issuer Letter.

## **12. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the registered office of the Company at 24A Senoko South Road, Select Group Building, Singapore 758099, during normal business hours for the period which the Offer remains open for acceptance:

- (i) the Constitution of the Company;
- (ii) the annual reports of the Company for FY2013, FY2014 and FY2015;
- (iii) the IFA Letter;
- (iv) the Valuation Report;
- (v) the Offeree Circular;
- (vi) the Delisting Application Announcement; and
- (vii) the letter of consent referred to in paragraph 11 above.

## **13. RESPONSIBILITY STATEMENT**

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

Where any information in this Issuer Letter has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offeror Letter and the Delisting Application Announcement), the sole responsibility of the Directors has been to

ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Issuer Letter.

Yours faithfully  
For and on behalf of  
the Board of Directors

Lee Chye Cheng Adrian  
Director

Lai Kai Jin Michael  
Director