

VOLUNTARY CONDITIONAL CASH OFFER

by



CEL Impetus Corporate Finance Pte Ltd

CEL IMPETUS CORPORATE FINANCE PTE. LTD.

(Company Registration No.: 201631484Z)

(Incorporated in Singapore)

for and on behalf of

SUPERIOR PARTNERS LIMITED

(Company Registration No.: 1804461)

(Incorporated in the British Virgin Islands)

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

LCT HOLDINGS LIMITED

(Company Registration No.: 35673)

(Incorporated in Bermuda)

OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 **The Offer.** CEL Impetus Corporate Finance Pte. Ltd. ("**CICF**") wishes to announce, for and on behalf of Superior Partners Limited (the "**Offeror**"), that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of LCT Holdings Limited (the "**Company**") including those owned, controlled or agreed to be acquired by the parties acting or presumed to be acting in concert with the Offeror ("**Offer Shares**") in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**").

Dr. Du Junhong is the sole shareholder and director of the Offeror. Further information on the Offeror is set out in paragraph 3 of this Announcement.

- 1.2 **Aggregate Holding.** As at the date of this Announcement (the "**Announcement Date**"), the Offeror does not hold any Shares. However, as at the Announcement Date, Dr. Du Junhong has a deemed interest in 6,951,431 Shares, representing approximately 19.72% of the total number of issued Shares¹, as follows:

- (a) 5,981,859 Shares held by Longdu Investment Limited, through DBS Nominees Pte. Ltd., of which he is the sole shareholder and director;

¹ Unless otherwise stated, references in this Announcement to the total number of issued Shares are based on 35,244,520 Shares (excluding 4,421,875 treasury shares) in issue.

- (b) 938,072 Shares held by Longpartner Investment Limited, of which he has a shareholding interest of 27.78%. The remaining shareholders of Longpartner Investment Limited are Mr. Tao Qiang (a founder and currently an executive director of the Company) and Mr. Tang Jiping (a founder of the Company). The directors of Longpartner Investment Limited are Dr. Du Junhong and Mr. Tao Qiang; and
- (c) 31,500 Shares held in trust by Triple Bonus Investment Pte. Limited on his behalf. The shareholders of Triple Bonus Investment Pte. Limited are Ms. Liu Rong and Mr. Tang Xiaoxun. The directors of Triple Bonus Investment Pte. Limited are Mr. Tang Xiaoxun and Mr. Tan Gek Hua (a resident director). For completeness, Triple Bonus Investment Pte. Limited holds a total of 101,137 Shares, representing 0.29% of the issued share capital of the Company.

2. THE OFFER

Subject to the terms and conditions of the Offer to be set out in the formal offer document to be issued by CICF for and on behalf of the Offeror (the “**Offer Document**”), the Offeror will make the Offer in accordance with Rule 15 of the Code on the following basis:

- (a) **Offer Shares.** The Offer will be extended to all the Offer Shares.
- (b) **Offer Price.** The consideration for each Offer Share will be as follows:

For each Offer Share: S\$0.60 in cash (the "Offer Price")

The Offeror does not intend to revise the Offer Price or any other terms of the Offer save that the Offeror reserves the right to revise the terms of the Offer in accordance with the Code if a competitive situation arises.

- (c) **No Encumbrances.** The Offer Shares are to be acquired (i) fully paid, (ii) free from all claims, charges, equities, mortgages, assignments, hypothecations, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Announcement Date, and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights and other distributions declared, paid or made by the Company (collectively, the “**Distributions**”) (if any), the Record Date for which falls on or after the Announcement Date. For the purpose of this Announcement, “**Record Date**” means, in relation to any Distributions, the date on which Shareholders must be registered with the Company or with The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such Distributions.

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, the Record Date for which falls on or after the Announcement Date. In the event of any such Distribution, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer may be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer (the “**Offer Settlement Date**”) falls:

- (i) if the Offer Settlement Date falls on or before the Record Date, the Offeror will pay the relevant accepting Shareholders the unadjusted Offer Price for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and
 - (ii) if the Offer Settlement Date falls after the Record Date, the Offer Price payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.
- (d) **Minimum Acceptance Condition.** The Offer will be conditional upon the Offeror having received, by the close of the Offer, 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 the parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and the parties acting in concert with it holding such number of Shares carrying more than 90% of the voting rights attributable to the issued Shares (excluding any Shares held in treasury) as at the close of the Offer (the “**Minimum Acceptance Condition**”). Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances, 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 will result in the Offeror meeting the Minimum Acceptance Condition.

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

- (e) **Further Details.** Further details of the Offer will be set out in the Offer Document.

No Options Proposal. Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new Shares granted under any employee share scheme of the Company (“**Options**”) as at the Announcement Date. In view of the foregoing, the Offeror will not make an offer to acquire any Options.

3. INFORMATION ON THE OFFEROR

Offeror. The Offeror is a company incorporated in the British Virgin Islands on 2 January 2014. Its principal activities are those of an investment holding company. The Offeror has not carried on any business since its incorporation.

As at the Announcement Date, the Offeror has an issued and paid-up share capital of US\$1,000 comprising 1,000 ordinary shares, all of which are held by Dr. Du Junhong.

As at the Announcement Date, the sole director of the Offeror is Dr. Du Junhong.

4. INFORMATION ON THE COMPANY

Based on publicly available information, the Company is a company incorporated in Bermuda on 12 August 2004, and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in 2005.

The principal activities of the Company are investment holding. The key businesses of the Company and its subsidiaries (collectively, the “**Offeree Group**”) include (i) property investment, (ii) value-added services, and (iii) professional and investment consultancy services. In addition, the Company also has shareholding interests in certain subsidiaries which are not and/or have not been undertaking significant business activities.

Based on information available to the Offeror as at the Announcement Date, the Company has an issued and paid-up share capital of approximately RMB65,608,000 comprising 35,244,520 issued Shares (excluding 4,421,875 treasury shares).

The Directors of the Company are:

- (a) Mr. Du Junqi (Executive Chairman and Chief Executive Officer);
- (b) Mr. Tao Qiang (Executive Director);
- (c) Mr. Deng Hua (Non-Executive Director);
- (d) Ms. Lee Ying Shin (Non-Executive and Independent Director);
- (e) Mr. Koh Kew Siong (Non-Executive and Independent Director); and
- (f) Mr. Mark Leong Kei Wei (Non-Executive and Independent Director).

5. RATIONALE FOR THE OFFER

5.1 Intention to delist and privatise the Company

The Offeror intends to make the Offer with a view to delist and privatise the Company.

The Company had disposed of its (i) 100% interest in Mobell Technology Pte. Ltd. in 2014, (ii) 14.68% interest in Shanghai Tricheer Technology Co., Limited in 2014 and (iii) 21.89% interest in Mentech Investment Limited in 2016 (collectively, “**Disposals**”). In connection with the Disposals, the Company had in 2014 and 2016 declared and paid special dividends in the aggregate amount of S\$3.262 per Share (after the consolidation of ten (10) Shares into one (1) Share in 2015) to Shareholders. As a result of the Disposals, the remaining main business of the Company is its commercial property investment in Xi’an, China. In 2019, the Company acquired 80% equity interest in Shanghai Xiyun Information Technology Co., Ltd. providing professional and investment consultancy services in Shanghai, China. While the Company does not expect the ongoing global coronavirus pandemic (“**COVID-19**”) to materially affect the Group’s businesses, the COVID-19 is an evolving issue and is expected to affect business and economic activities worldwide. As such, the long-term impact of COVID-19 on the general business sentiments and outlook in China remains uncertain and it remains to be determined the eventual impact of COVID-19 on the businesses of the Group.

The Offeror is of the view that the delisting and privatisation of the Company will provide the Offeror and the Company with greater control and management flexibility in utilising and deploying the available resources of the Company and facilitating the implementation of any strategic initiatives and/or operational changes of the Company and its subsidiaries in responding to any changes in the uncertain economic environment which may result from the ongoing COVID-19 as set out above as well as to achieve greater efficiency and competitiveness.

The Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company or re-deploy any of the fixed assets of the Company, other than in the ordinary course of business. The Offeror however retains the flexibility at any time to consider options or opportunities which may present themselves.

5.2 Opportunity for Shareholders to realise their investment in the Shares at a premium

The Offer Price is at a premium above the historical market prices of the Shares over the last twelve-month period up to prior to the Announcement Date. The Offer Price represents an approximately 39.53% premium above the closing price of the Shares on the last trading day, being 9 September 2020, prior to this Announcement ("**Last Trading Day**"), and an approximately 60.86%, 61.73%, 61.29% and 25.26% premium above the volume weighted average price ("**VWAP**") per Share for the one-month, three-month, six-month and 12-month period prior to and including the Last Trading Day, respectively. The Offer Price exceeds the highest closing price of the Shares over the past 36 months preceding the Last Trading Day.

Against the backdrop of the uncertain economic environment caused by the COVID-19, Shareholders who tender their Shares pursuant to the Offer will have an opportunity to realise their investment in the Shares for a cash consideration at a premium above the prevailing market share prices, without incurring any brokerage and other trading costs.

5.3 Opportunity for Shareholders to divest their entire investment in the Shares, which may otherwise be difficult due to the low trading liquidity of the Shares

The trading liquidity of the Shares has been low. The average daily trading volume of the Shares for the one-month, three-month, six-month and 12-month periods prior to and including the Last Trading Day are set out in the table below:

	Average Daily Trading Volume (" ADTV ") ⁽¹⁾	ADTV as a percentage of total number of issued Shares ⁽²⁾
One-month period prior to and including the Last Trading Day	3,633 Shares	0.010%
Three-month period prior to and including the Last Trading Day	2,150 Shares	0.006%
Six-month period prior to and including the Last Trading Day	8,638 Shares	0.025%
12-month period prior to and including the Last Trading Day	13,676 Shares	0.039%

Notes:

- (1) The ADTV is calculated based on the total trading volume of the Shares for the respective relevant periods, as extracted from Bloomberg L.P. as at the Last Trading Day, divided by the number of market days during the respect relevant periods prior to and including the Last Trading Day.
- (2) Calculated by expressing ADTV of Shares traded as a percentage of the Company's total number of 35,244,520

issued Shares (excluding 4,421,875 treasury shares). The percentage figures are rounded to the nearest three decimal places.

The low trading liquidity may not provide Shareholders with sufficient opportunity to efficiently divest their entire investments in the Company. Hence, the Offer represents a cash exit opportunity for Shareholders to liquidate and realise up to their entire investment at a premium above the historical market share prices, an opportunity which may not otherwise be readily available due to the low trading liquidity of the Shares.

5.4 Compliance costs of maintaining listing status

If the Company is delisted, the Company will be able to dispense with resources and compliance costs associated with maintenance of a listed status and other regulatory requirements that have to be committed for such compliance and channel such expenses and resources toward its business operations.

6. COMPULSORY ACQUISITION AND LISTING STATUS

6.1 Compulsory Acquisition.

The Company is incorporated in Bermuda. Under Section 102 of the Bermuda Companies Act:

- (a) where an offeror has, within four (4) months after the making of an offer under a scheme or contract involving the transfer of shares, obtained acceptances from shareholders holding not less than nine-tenths in value of the shares in a Bermuda-incorporated company ("**Target**") whose transfer is involved (other than shares already held, at the date of the offer, by the offeror, the offeror's subsidiaries, and nominees of the offeror or its subsidiaries); and
- (b) where, at the date of the offer, shares in the Target whose transfer is involved, are already held by the offeror, the offeror's subsidiaries, and nominees of the offeror or its subsidiaries to a value greater than 10% of the total issued shares of the Target, such accepting shareholders also represent not less than 75% in number of the holders of such shares (other than shares already held as at the date of the offer, by the offeror, the offeror's subsidiaries, and nominees of the offeror or its subsidiaries), and further provided that the offeror must have made the offer on the same terms to all holders of the shares whose transfer is involved (other than those already held as aforesaid),

("Approval Threshold"), the offeror may at any time within two (2) months beginning from the date on which the Approval Threshold is achieved, give notice under Section 102(1) of the Bermuda Companies Act to any dissenting shareholder that the offeror wishes to acquire his shares ("**Acquisition Notice**"). When such Acquisition Notice is given, upon the expiry of one (1) month from the date on which the notice was given, the offeror shall be entitled and bound to acquire those shares on the same terms as the offer (unless an application is made by the dissenting shareholder(s) to the Supreme Court of Bermuda ("**Court**") within one (1) month from the date on which the notice was given and the Court thinks fit to order otherwise).

Section 102(2) of the Bermuda Companies Act provides that where, pursuant to such a scheme or contract, shares in the Target are transferred to an offeror or its nominee, and those shares together with any other shares in the Target held by, or by a nominee for, the offeror or its subsidiary at the date of the transfer comprise nine-tenths in value of the shares in the Target, the offeror must within one (1) month from the date of the transfer give notice of that fact to the dissenting shareholder(s) of the Target, and any such shareholder may within three (3) months from the giving of the said notice to him, give notice (an "**Offeree Notice**") requiring the offeror

to acquire his shares in the Target. Where a dissenting shareholder gives an Offeree Notice with respect to any shares in the Target, the offeror shall be entitled and bound to acquire those shares on the same terms of the original offer (or on such other terms as may be agreed or as the Court, on the application of either the offeror or the dissenting shareholder, thinks fit to order).

Under Section 103 of the Bermuda Companies Act, the holders of not less than 95% of the shares in a Bermuda-incorporated company ("**Purchasers**") may give notice ("**Section 103 Acquisition Notice**") to the remaining shareholders of the intention to acquire their shares on the terms set out in the Section 103 Acquisition Notice. When such Section 103 Acquisition Notice is given, the Purchasers shall be entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the Section 103 Acquisition Notice unless a remaining shareholder applies to the Court to have the Court appraise the value of such shares.

The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, if entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 102 or Section 103 of the Bermuda Companies Act.**

Shareholders who are in doubt of their position under the Bermuda Companies Act are advised to seek their own independent legal advice.

6.2 **Listing Status.** Pursuant to Rule 1105 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its concert parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it 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. Rule 1303(1) of the Listing Manual provides that if 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 Shares only at the close of the Offer.

Separately, Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of Shares in issue excluding treasury shares is at all times held by the public ("**Free Float Requirement**"). In addition, under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not met, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.

7. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia over certain historical market prices of the Shares² traded on the SGX-ST as set out below:

	Description	Share Price (S\$)	Premium of Offer Price over Share Price (%)
(a)	Last traded price of the Shares on the SGX-ST on the Last Trading Day	0.430	39.53%
(b)	VWAP for the one-month period up to and including the Last Trading Day	0.373	60.86%
(c)	VWAP for the three-month period up to and including the Last Trading Day	0.371	61.73%
(d)	VWAP for the six-month period up to and including the Last Trading Day	0.372	61.29%
(e)	VWAP for the 12-month period up to and including the Last Trading Day	0.479	25.26%

8. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

8.1 **Shareholdings and Dealings in Company Securities.** The Appendix to this Announcement sets out, based on the latest information available to the Offeror, the number of Company Securities (as defined in paragraph 8.2 of this Announcement) owned, controlled or agreed to be acquired as at the Announcement Date by:

- (a) the Offeror and its directors;
- (b) the Founders (as defined in paragraph 8.4 of this Announcement) and/or the respective entities through which they hold such Shares ("**Founder SPVs**") and Triple Bonus Investment Pte. Limited, being parties acting in concert with the Offeror for the purposes of this Offer (collectively "**Concert Parties**"); and
- (c) CICF,

(collectively, the "**Relevant Persons**") as at the Announcement Date.

8.2 **No Other Holdings and Dealings in Company Securities.** Save as disclosed in this Announcement, as at the Announcement Date and based on the latest information available to the Offeror, none of the Offeror and the parties acting in concert with the Offeror:

- (a) owns, controls or has agreed to acquire any (i) Shares, (ii) securities which carry voting rights in the Company, or (iii) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company

² The historical market prices of the Shares (rounded to the nearest three (3) decimal places) and the corresponding premia are computed based on data extracted from Bloomberg L.P..

(collectively, the “**Company Securities**”); and

- (b) has dealt for value in any Company Securities during the three (3)-month period immediately preceding the Announcement Date.

8.3 **Other Arrangements in respect of Company Securities.** Save as disclosed in this Announcement, as at the Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons has:

- (a) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (b) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (c) lent any Company Securities to another person.

8.4 **Irrevocable Undertakings.** As at the Announcement Date, the Offeror has received irrevocable undertakings from the following Shareholders to accept the Offer in respect of an aggregate 9,745,287 Shares (comprising 27.65% of the issued Shares):

- (a) Dr. Du Junhong in respect of 5,981,859 Shares held by Longdu Investment Limited (“**Longdu Company Shares**”) through DBS Nominees Pte. Ltd., of which he is the sole shareholder and director. In this connection, Dr. Du Junhong has also irrevocably undertaken that he will waive and/or procure the waiving of his/its rights under Rule 30 of the Code to receive any cash settlement or payment in respect of all the Longdu Company Shares to be tendered in acceptance of the Offer within the time period prescribed under Rule 30 of the Code, and he will accept and procure acceptance of the payment by the Offeror of the consideration for the Longdu Company Shares to be satisfied in full by the payment by the Offeror to Longdu Investment Limited or to the order of Longdu Investment Limited, the aggregate Offer Price payable by the Offeror pursuant to acceptance of the Offer in respect of all Longdu Company Shares (without any interest or other benefit whatsoever accruing thereon) on the date falling 12 months after the Offer is declared unconditional (“**Dr. Du Founder Arrangement**”);
- (b) Mr. Tao Qiang, one of the founders and an executive director of the Company, in respect of 938,072 Shares held by Longpartner Investment Limited, of which he has a shareholding interest of 69.96%;
- (c) Mr. Deng Hua, one of the founders and a non-executive director of the Company, and his son Mr. Deng Lirui, in respect of 888,479 Shares held by Mioniza Investments Limited through DBS Nominees Pte. Ltd., of which Mr. Deng Hua and Mr. Deng Lirui collectively own 100% and of which Mr. Deng Hua is the sole director;
- (d) Mr. Tang Jiping, one of the founders of the Company and who was previously appointed to the board of the Company from 1 February 2005 to December 2007, in respect of 528,859 Shares. Mr. Tang Jiping is also a shareholder of Longpartner Investment Limited, of which he has a shareholding interest of 9.26%;
- (e) Mr. Tang Xiaoxun, one of the founders of the Company, in respect of 783,779 Shares, held by Senung International Limited through DBS Nominees Pte. Ltd., of which he is the sole shareholder and director;

- (f) Mr. Guan Yadong, one of the founders of the Company, in respect of 411,639 Shares, held by Atsou Investments Limited through DBS Nominees Pte. Ltd., of which he is the sole shareholder and director; and
- (g) Mr. Fan Haitao, one of the founders of the Company, in respect of 212,600 Shares held by Bevest Investments Limited through DBS Nominees Pte. Ltd., of which he is the sole shareholder and director,

(Dr. Du Junhong, Mr. Tao Qiang, Mr. Deng Hua, Mr. Tang Jiping, Mr. Tang Xiaoxun, Mr. Guan Yadong and Mr. Fan Haitao are collectively referred to as the "**Founders**") under which each Founder has undertaken and/or agreed, *inter alia*, that:

- (i) he will accept or procure acceptance of the Offer in respect of the following Shares:
 - (1) all the Offer Shares he holds or is beneficially interested in through his respective Founder SPV (as the case may be), as at the date of the despatch of the Offer Document by no later than 5.00 p.m. (Singapore time) on the 28th day after the date of despatch of the Offer Document; and
 - (2) such additional Offer Shares as he may acquire after the date of despatch of the Offer Document and before the Offer closes by no later than 5.00 p.m. (Singapore time) on the third business day after he becomes the registered holder / beneficial owner thereof;(collectively, the "**Relevant Shares**"); and
- (ii) unless the Offer lapses, is withdrawn or fails to become or be declared unconditional by the closing date of the Offer, he will not and will procure the registered holder of the Relevant Shares shall not:
 - (1) withdraw his/its acceptance even though he/it may become entitled to withdraw under the rules of the Code or any provision in the Offer Document;
 - (2) sell, transfer, charge, encumber, grant any option over or otherwise dispose of any interest in the Relevant Shares to any person except to the Offeror pursuant to the Offer;
 - (3) not acquire any Shares or any interest in any Shares for his/its beneficial account, other than Shares or an interest in Shares deriving from the Relevant Shares;
 - (4) accept any other offer in respect of any of the Relevant Shares (whether it is conditional or unconditional and irrespective of the means by which it is to be implemented); or
 - (5) enter into any agreement or arrangement or incur any obligation or give any indication of intent that might impede or restrict his/its obligations under his/its undertaking or otherwise frustrate the Offer or its implementation.

The irrevocable undertakings as set out in this paragraph 8.4 above ("**Irrevocable Undertakings**") will cease and terminate if (a) the Offer Announcement is not released by 30 September 2020; (b) the Offer lapses or is withdrawn; or (c) fails to become or be declared to be unconditional in all respects for whatever reason other than as a result of a breach of any of the obligations under the Irrevocable Undertakings.

Each of the Founders (and their respective Founder SPV) and Triple Bonus Investment Pte. Limited (which holds Shares on trust for the benefit of *inter alia* Dr. Du as described in paragraph 1.2 above) is deemed to be a Concert Party of the Offeror for the purposes of this Offer for the following reasons:

- (i) Dr. Du Junhong is the sole shareholder and director of the Offeror;
- (ii) Mr. Tao Qiang is a shareholder and director of Longpartner Investment Limited, of which Dr. Du Junhong is also a shareholder and director. Mr. Tao Qiang is also an executive director of the Company;
- (iii) Mr. Deng Hua is a non-executive director of the Company; and
- (iv) each Founder has been involved in the establishment of the Company and as mentioned above, has remained as a shareholder of the Company since its establishment and up to the Announcement Date.

The Securities Industry Council of Singapore has confirmed that the Irrevocable Undertakings and the founder arrangements (in this case the Dr. Du Founder Arrangement) under this paragraph 8.4 do not constitute a special deal for the purposes of Rule 10 of the Code.

Save for the Irrevocable Undertakings, as at the Announcement Date, neither the Offeror nor any of the Concert Parties has received any undertakings from any other party to accept or reject the Offer.

Copies of the Irrevocable Undertakings are available for inspection at the office of CICF at 9 Raffles Place, #22-06 Republic Plaza I, Singapore 048619, during normal business hours from the Announcement Date until the date on which the Offer closes or lapses or is withdrawn in accordance with its terms.

8.5 Further Enquiries. In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Offer Document.

9. CONFIRMATION OF FINANCIAL RESOURCES

CICF, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer for the Offer Shares in cash on the basis of the Offer Price, excluding the aggregate Offer Price in respect of the Longdu Company Shares which are the subject of the Dr. Du Founder Arrangement.

10. OFFER DOCUMENT

Further information on the Offer will be set out in the Offer Document. The Offer Document setting out the terms and conditions of the Offer and enclosing the appropriate form(s) 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 acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document. **Shareholders are advised to exercise caution when dealing in the Shares.**

11. OVERSEAS SHAREHOLDERS

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

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.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the laws of that jurisdiction (“**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror or CICF, for and on behalf of the Offeror, and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

- 11.2 **Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of CDP (as the case may be) (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.** Further details in relation to Overseas Shareholders will be contained in the Offer Document.

The Offeror and CICF each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement, notice or advertisement.

- 11.3 **Copies of the Offer Document.** Where there are potential restrictions on sending the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document to any overseas jurisdictions, the Offeror and CICF each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Offer Document and the relevant form(s) of acceptance from the CDP or the office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Company's share registrar at the above-stated address to request for the Offer Document and the relevant form(s) of acceptance to be sent to an address in Singapore by ordinary post at his own risk, up to the five (5) market days prior to the close of the Offer.

12. RESPONSIBILITY STATEMENT

The sole director of the Offeror (including where he may have delegated detailed supervision of this Announcement) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and he accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company (including without limitation, in relation to the Offeree Group), the sole responsibility of the sole director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
CEL Impetus Corporate Finance Pte. Ltd.

For and on behalf of
Superior Partners Limited
16 September 2020

Any inquiries relating to this Announcement or the Offer should be directed during office hours to CICF at (65) 6202 4999.

IMPORTANT NOTICE

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "expect", "anticipate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and

“might”. These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor CFC undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

APPENDIX

DISCLOSURE OF SHAREHOLDINGS

The interests of the Relevant Persons in the Shares as at the Announcement Date are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dr. Du Junhong ⁽¹⁾	-	-	6,951,431	19.72	6,951,431	19.72
Longdu Investment Limited ⁽¹⁾	-	-	5,981,859	16.97	5,981,859	16.97
Longpartner Investment Limited ⁽¹⁾⁽²⁾	938,072	2.66	-	-	938,072	2.66
Tao Qiang ⁽²⁾	-	-	940,434	2.67	940,434	2.67
Triple Bonus Investment Pte. Limited ⁽³⁾	101,137	0.29	-	-	101,137	0.29
Deng Hua ⁽⁴⁾	-	-	888,479	2.52	888,479	2.52
Minoiza Investments Limited ⁽⁴⁾	-	-	888,479	2.52	888,479	2.52
Tang Jiping	528,859	1.50	-	-	528,859	1.50
Tang Xiaoxun ⁽⁵⁾	-	-	783,779	2.22	783,779	2.22
Senung International Limited ⁽⁵⁾	-	-	783,779	2.22	783,779	2.22
Guan Yadong ⁽⁶⁾	-	-	411,639	1.17	411,639	1.17
Atsou Investments Limited ⁽⁶⁾	-	-	411,639	1.17	411,639	1.17
Fan Haitao ⁽⁷⁾	-	-	212,600	0.60	212,600	0.60
Bezest Investments Limited ⁽⁷⁾	-	-	212,600	0.60	212,600	0.60

Notes:

- (1) Dr. Du Junhong is deemed to be interested in (a) 5,981,859 Shares held by Longdu Investment Limited through DBS Nominees Pte. Ltd., of which he is the sole shareholder and director; (b) 938,072 Shares held by Longpartner Investment Limited, of which he has a shareholding interest of 27.78%; and (c) 31,500 Shares held in trust by Triple Bonus Investment Pte. Limited.
- (2) Tao Qiang is deemed to be interested in (a) 938,072 Shares held by Longpartner Investment Limited, of which he has a shareholding interest of 69.96%; and (b) 2,362 Shares held in trust by Triple Bonus Investment Pte. Limited.
- (3) Triple Bonus Investment Pte. Limited holds a total of 101,137 Shares, of which (i) 31,500 Shares are held on trust for the benefit of Dr. Du Junhong, (ii) 2,362 Shares are held on trust for the benefit of Tao Qiang and (iii) the remaining Shares are held on trust for the benefit of other individuals.
- (4) Deng Hua is deemed to be interested in 888,479 Shares held by Mioniza Investments Limited through DBS Nominees Pte. Ltd., of which he and his son Deng Lirui collectively own 100% and he is the sole director.
- (5) Tang Xiaoxun is deemed to be interested in 783,779 Shares held by Senung International Limited through DBS Nominees Pte. Ltd., of which Tang Xiaoxun is the sole shareholder and director.

- (6) Guan Yadong is deemed to be interested in 411,639 Shares held by Atsou Investments Limited through DBS Nominees Pte. Ltd., of which Guan Yadong is the sole shareholder and director.
- (7) Fan Haitao is deemed to be interested in 212,600 Shares held by Bezeit Investments Limited through DBS Nominees Pte. Ltd., of which Fan Haitao is the sole shareholder and director.