

LIZHONG WHEEL GROUP LTD.
(Registration Number: 200407196C)
(Incorporated in the Republic of Singapore)

**VOLUNTARY CONDITIONAL CASH OFFER BY DBS BANK LTD. FOR AND ON BEHALF OF
BERKLEY INTERNATIONAL LIMITED TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY
SHARES IN THE CAPITAL OF LIZHONG WHEEL GROUP LTD. - LOSS OF FREE FLOAT AND
SUSPENSION OF TRADING**

1. Introduction

The Board of Directors (the “**Board**” or “**Directors**”) of Lizhong Wheel Group Ltd. (the “**Company**”) refers to:

- (i) the offer document dated 4 September 2015 issued by DBS Bank Ltd. (“**DBS Bank**”), for and on behalf of Berkley International Limited (the “**Offeror**”), in relation to the voluntary conditional cash offer (the “**Offer**”) or all the issued and paid-up ordinary shares (the “**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 (the “**Offer Shares**”) (the “**Offer Document**”); and
- (ii) the announcement dated 21 September 2015 made by DBS Bank, for and on behalf of the Offeror, disclosing, *inter alia*, the dealings in the Shares made by the Offeror on 21 September 2015 and the level of valid acceptances of the Offer received by the Offeror as at 5.00 p.m. (Singapore time) on 21 September 2015 (the “**Dealings Disclosure Announcement**”).

Unless otherwise defined, capitalised terms used in this Announcement shall have the respective meanings ascribed to them in the Offer Document.

2. Loss of Free Float

As stated in the Dealings Disclosure Announcement, as at 5.00 p.m. (Singapore time) on 21 September 2015, the total number of (A) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it; and (B) valid acceptances to the Offer, amount to an aggregate of 218,971,299 Shares, representing approximately 93.17% of the total number of issued Shares of the Company.

Based on the register of directors of the Company, as at 5.00 p.m. (Singapore time) on 21 September 2015, the directors of the Company who own Shares (other than the Offeror and those who are parties acting in concert with the Offeror together with the shareholders who had provided irrevocable undertakings to the Offeror to accept the Offer as disclosed in the Offer Document) hold approximately 0.53 per cent. of the total number of Shares.

In view of the foregoing, the Board wishes to inform Shareholders that, as at 5.00 p.m. (Singapore time) on 21 September 2015, the percentage of the total number of Shares which are held in public hands is approximately 6.83 per cent.¹ and, accordingly, the Company no longer meets the free float requirement prescribed by Rule 723 of the Listing Manual.

¹ Calculated based on 235,025,550 Shares as at the date of this Announcement

Pursuant to Rule 723 of the Listing Manual, the Company is required to ensure that at least 10 per cent. of the total number of Shares is at all times held by the public. Further, pursuant to Rule 724(1) of the Listing Manual, if the percentage of the Shares held in public hands falls below 10 per cent., the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend 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 the Shares in public hands to at least 10 per cent., failing which the Company may be delisted (the **"Free Float Requirement"**). Shareholders should note that the Offer Document states that if the Free Float Requirement is not satisfied at the close of the Offer, and the trading of the Shares on the SGX-ST is suspended at the close of the Offer, the Offeror does not intend to support any action or take any steps to preserve the listing status of the Company or to restore the public float of the Shares.

Shareholders should refer to the Offer Document for further information.

3. Closing Date

Shareholders should note that as stated in the Dealings Disclosure Announcement, in accordance with Rule 22.6 of the Code, if the Offer becomes or is declared to be unconditional as to acceptances, the Offer must remain open for acceptance for not less than 14 days after the date on which the Offer would otherwise have closed. **Accordingly, the Offer will remain open for acceptance until 5.30 p.m. (Singapore time) on 16 October 2015 (the "Final Closing Date").**

As further stated in the Dealings Disclosure Announcement, DBS Bank, for and on behalf of the Offeror, wished to announce that the Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on the Final Closing Date and notice was given that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date. Acceptances received thereafter will be rejected.

4. Suspension of Trading

As the Company no longer meets the free float requirement prescribed by Rule 723 of the Listing Rules, Shareholders should note that the SGX-ST may suspend trading of the Shares on the close of the Offer. Appropriate announcements will be made by the Company to update Shareholders in due course.

5. Responsibility Statement

The Directors (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the Offeror and the Offer) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information in this Announcement has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Dealings Disclosure Announcement and the Offer Document), the sole responsibility of the Directors has been to

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

The Directors jointly and severally accept full responsibility accordingly.

By order of the Board

Mr See Yen Tarn
Lead Independent Director
22 September 2015