

## UMS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 200100340R)

---

### PROPOSED ACQUISITIONS OF INTEGRATED MANUFACTURING TECHNOLOGIES PTE. LTD. ("IMT-S") AND INTEGRATED MANUFACTURING TECHNOLOGIES, INC. ("IMT-USA") AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION

---

#### 1. INTRODUCTION

- 1.1 The Board of Directors of UMS Holdings Limited (the "**Company**") wishes to announce that, today:
- (a) the Company has entered into a conditional sale and purchase agreement (the "**IMT-S SPA**") with Luong Andy, the Company's Executive Director, Chief Executive Officer and a major shareholder ("**Luong Andy**"), in relation to the acquisition by the Company of the entire issued and paid-up capital of IMT-S (the "**IMT-S Acquisition**"); and
  - (b) in connection thereto, the Company's subsidiary, ASL International Trading, Inc. ("**ASL**") has also entered into a conditional sale and purchase agreement (the "**IMT-USA SPA**") with Luong Andy, Quest World International Limited ("**Quest World**") and IMT-USA in relation to the acquisition by ASL of the entire issued and paid-up capital of IMT-USA (the "**IMT-USA Acquisition**", and collectively with the IMT-S Acquisition, the "**Proposed Transaction**").
- 1.2 The Proposed Transaction is deemed to be an Interested Person Transaction (as defined in Chapter 9 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) and a major transaction (as defined in Chapter 10 of the Listing Manual) and as such is subject to and conditional upon the approval of the shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting of the Company ("**EGM**") to be convened.

#### 2. OVERVIEW OF THE PROPOSED TRANSACTION

##### 2.1 Information on IMT-S and IMT-USA

###### 2.1.1 *Background*

IMT-S is a company incorporated in Singapore on 2 November 2004. IMT-USA is a company incorporated in the state of California on 12 August 2004.

The principal business activities of IMT-S include the manufacturing of gas delivery systems and related work, and vacuum welding and tube bending services. IMT-USA is engaged in similar business as IMT-S with capabilities to produce ultra high purity gas lines in a cleanroom environment, valve assemblies, welding, manufacturing and fabrication. Its principal business activities include the manufacturing of gas delivery systems for semiconductor equipment.

###### 2.1.2 *Current Shareholding*

As at the date of this Announcement:

- (a) IMT-S is wholly-owned by Luong Andy, who holds one (1) ordinary share in IMT-S representing the entire issued and paid-up capital of IMT-S (the "**IMT-S Share**");

- (b) the shareholders of IMT-USA comprise:
  - (i) Luong Andy, who holds 3,921,373 shares in IMT-USA representing 70.84% of the issued and paid-up capital of IMT-USA (the “**Luong IMT-USA Shares**”); and
  - (ii) Quest World, which holds the remaining 1,614,062 shares in IMT-USA representing 29.16% of the issued and paid-up capital of IMT-USA (the “**Quest World IMT-USA Shares**” and together with the Luong IMT-USA Shares, the “**IMT-USA Shares**”); and
- (c) Luong Andy is the sole director of each of IMT-S and IMT-USA.

### 2.1.3 Existing arrangements between the Group and each of IMT-S and IMT-USA

The Company and its subsidiaries (the “**Group**”) have entered into various transactions with IMT-S and IMT-USA including, but not limited to, the transactions set out below. As such transactions occurred with some degree of frequency and could arise at any time in the ordinary course of the Group’s business, the Company obtained the general mandate of Shareholders at the EGM held on 16 August 2011 for the Group to enter into interested persons transactions with IMT-S and IMT-USA (the “**IP General Mandate**”).

#### (a) Provision of vacuum welding and tube bending services by IMT-S and IMT-USA

Both IMT-S and IMT-USA provide vacuum welding and tube bending services to the Group.

Although vacuum welding and tube bending services are necessary to the Group’s business, the Group is not qualified to supply such services to its major customer based on its major customer’s certification processes. However, each of IMT-S and IMT-USA possess the necessary accreditation to supply such services to the Group’s major customer and are on a short list of companies which the major customer considers qualified to perform such services. As such, the Group has been entering into various transactions with IMT-S and IMT-USA in connection with the provision of vacuum welding and tube bending services, and the size of transactions with IMT-S and IMT-USA has increased in proportion to the Group’s integrated systems business.

#### (b) Provision of semi-conductor equipment components by the Group

The Group sells semi-conductor equipment components to IMT-S and IMT-USA who in turn integrate such components into their end products and sell these end products to the Group’s major customer. The Group is unable to directly supply final manufactured gaslines and weldments to its major customer because it is not a qualified supplier according to the major customer’s accreditation process. Although IMT-S and IMT-USA are qualified suppliers, each of them do not have the Group’s machining capabilities. As such, the Group machines the components, while IMT-S and IMT-USA conduct the final welding and sell the end product to the Group’s major customer.

#### (c) Purchases of components, assemblies, consumables and spares by the Group from IMT-USA

The Group makes use of IMT-USA’s operations in the United States to secure more favourable trading terms from other vendors in the United States, which would not be available to the Group’s Singapore and Malaysian companies.

The past interested person transactions between the Group and each of IMT-S and IMT-USA are set out in more detail in the Company’s circular to Shareholders dated 25 July 2011 in respect of

the IPT General Mandate (the “**IPT General Mandate Circular**”). A copy of the IPT General Mandate Circular is available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

#### 2.1.4 *Financial Information on IMT-S and IMT-USA*

Financial due diligence was conducted on each of IMT-S and IMT-USA for purposes of the Proposed Transaction. The Company calculated the value of IMT-S and IMT-USA based on review of the summary income statements of IMT-S and IMT-USA for the half-year financial period ended 30 June 2011 (“**HY2011**”), the financial year ended or ending 31 December (as the case may be)(“**FY**”) 2010, FY2009 and FY2008 and the balance sheets of IMT-S and IMT-USA for HY2011 and FY2010. The financial information for IMT-S was obtained from the audited financial statements of IMT-S for FY2010, FY2009 and FY2008 and the unaudited financial statements of IMT-S for HY2011. The financial information for IMT-USA was obtained from the unaudited management accounts of IMT-USA for HY2011, FY2010, FY2009 and FY2008.

IMT-USA has represented that, in accordance with applicable United States laws, IMT-USA is not required to prepare audited accounts. Consequently, all financial information of IMT-USA is based on its unaudited management accounts. Subsequent to the IMT-USA Completion (as defined below), ASL will appoint an accounting firm to conduct a financial review of the IMT-USA unaudited management accounts and depending on the results of such review, the IMT-USA Consideration (as defined below) will be adjusted in accordance with the terms set out in paragraph 2.3.5 below.

## 2.2 **Details of the IMT-S Acquisition**

### 2.2.1 *Sale and Purchase of the IMT-S Share*

Subject to the terms and conditions of the IMT-S SPA, the Company will acquire the IMT-S Share (representing the entire issued and paid-up capital of IMT-S) from Luong Andy, who holds the IMT-S Share, for a cash consideration of S\$19,803,374 (the “**IMT-S Consideration**”).

### 2.2.2 *IMT-S Consideration*

The IMT-S Consideration represents a price-to-earnings multiple of approximately 4 times the profit before tax of IMT-S for FY2010 and was arrived at on a willing buyer willing seller basis after arm's length negotiations, taking into account, *inter alia*, the following factors:

- (a) the profit before tax of IMT-S for FY2010; and
- (b) the profit before tax of IMT-S for HY2011.

Pursuant to the IMT-S SPA, the IMT-S Consideration shall be paid in cash by the Company to Luong Andy on the IMT-S Completion Date (as defined below).

### 2.2.3 *IMT-S Completion*

The completion of the sale and purchase of the IMT-S Share pursuant to the IMT-S SPA (the “**IMT-S Completion**”) shall take place on 9 February 2012 or such other date as mutually agreed between the Company and Luong Andy (the “**IMT-S Completion Date**”), but in any event shall be no later than 31 March 2012, unless a later date is mutually agreed to in writing by the parties to the IMT-S SPA.

The IMT-S Consideration shall be settled on the IMT-S Completion Date in the manner described in paragraph 2.2.2 above.

### 2.2.4 *Conditions Precedent to the IMT-S Completion*

The IMT-S Completion is conditional, *inter alia*, upon the following conditions precedent:

- (a) the passing at a general meeting of the Shareholders of a resolution to approve the IMT-S Acquisition in accordance with the IMT-S SPA in the agreed terms and without material amendments thereto;
- (b) the passing of resolutions approving the sale of the IMT-S Share to the Company, by the sole director and/or, if required, the shareholders of IMT-S;
- (c) the completion of the Company's financial, legal and other due diligence of IMT-S to the reasonable satisfaction of the Company;
- (d) the licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals necessary or desirable for or in respect of the IMT-S Acquisition having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms satisfactory to the Company and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals remaining in full force and effect;
- (e) the execution of the IMT-USA SPA by ASL, Luong Andy, Quest World and IMT-USA, and the completion of the sale and purchase of the IMT-USA Shares pursuant to the IMT-USA SPA; and
- (f) the delivery to the Company of an original copy of a non-competition agreement duly executed by Luong Andy, pursuant to which Luong Andy agrees not to compete with IMT-S for a period of three (3) years following the IMT-S Completion.

The Company may at any time waive in whole or in part and conditionally or unconditionally the conditions precedent to the IMT-S Completion by giving notice in writing to Luong Andy.

## 2.3 **Details of the IMT-USA Acquisition**

### 2.3.1 *Sale and Purchase of the IMT-USA Shares*

Subject to the terms and conditions of the IMT-USA SPA, ASL will acquire the IMT-USA Shares (representing the entire issued and paid-up capital of IMT-USA) from Luong Andy and Quest World, who hold such number and/or percentage of the IMT-USA Shares as set out against their respective names below:

	<b>No. of IMT-USA Shares owned as at the date of the IMT-USA SPA</b>	<b>Percentage Shareholding (%)</b>
Luong Andy	3,921,373	70.84
Quest World	1,614,062	29.16
<b>TOTAL</b>	<b>5,535,435</b>	<b>100</b>

### 2.3.2 *IMT-USA Consideration*

The aggregate consideration to be paid by ASL in respect of the IMT-USA Acquisition is S\$8,196,626 and will be adjusted in accordance with the adjustment mechanism, details of which are set out in paragraph 2.3.5 below (the “**IMT-USA Consideration**”).

Pursuant to the IMT-USA SPA, ASL shall pay in cash (a) S\$5,806,595 to Luong Andy for the purchase of the Luong IMT-USA Shares, and (b) S\$2,390,031 to Quest World for the purchase of

the Quest World IMT-USA Shares, upon the IMT-USA Completion.

The IMT-USA Consideration represents a price-to-earnings multiple of approximately 4 times the profit before tax of IMT-USA for FY2010 and was arrived at on a willing buyer willing seller basis after arm's length negotiations, taking into account, *inter alia*, the following factors:

- (a) the profit before tax of IMT-USA for FY2010; and
- (b) the profit before tax of IMT-USA for HY2011.

### 2.3.3 *IMT-USA Completion*

The completion of the sale and purchase of the IMT-USA Shares pursuant to the IMT-USA SPA (the "**IMT-USA Completion**") shall take place on 9 February 2012 or such other date as mutually agreed between ASL, Luong Andy and Quest World (the "**IMT-USA Completion Date**"), but in any event shall be no later than 31 March 2012, unless a later date is mutually agreed to in writing by the parties to the IMT-USA SPA.

The IMT-USA Consideration shall be settled on the IMT-USA Completion Date in the manner described in paragraph 2.3.2 above.

### 2.3.4 *Conditions Precedent to the IMT-USA Completion*

The IMT-USA Completion is conditional, *inter alia*, upon the following conditions precedent:

- (a) the passing of resolutions approving the purchase of the IMT-USA Shares by ASL by the directors of ASL and the shareholders of ASL's parent company and/or if required, the shareholders of ASL;
- (b) the passing of resolutions approving the sale of the IMT-USA Shares by Luong Andy and Quest World to ASL by the directors and/or if required, the shareholders of IMT-USA;
- (c) the completion of ASL's financial, legal and other due diligence of IMT-USA, the results of which shall be satisfactory to ASL, in ASL's sole and absolute discretion;
- (d) Luong Andy and Quest World having delivered to ASL copies of letters from any third parties whose consent and/or waiver of the sale and purchase of the IMT-USA Shares is required, whereby such third parties acknowledge notice of the transaction contemplated in the IMT-USA SPA and waives any rights it has under any agreement with Luong Andy, Quest World or IMT-USA to claim a default under and/or to terminate such agreement;
- (e) the licenses, authorisations, orders, grants, confirmations, permissions, registrations and other approvals necessary or desirable for or in respect of the IMT-USA Acquisition having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms satisfactory to ASL and such licenses, authorisations, orders, grants, confirmations, permissions, registrations and other approvals remaining in full force and effect; and
- (f) Luong Andy and Quest World having entered into a non-competition agreement pursuant to which they shall agree not to compete with IMT-USA for a period of three (3) years following the IMT-USA Completion.

ASL may at any time waive in whole or in part and conditionally or unconditionally the conditions precedent to the completion of the IMT-USA Acquisition by notice in writing to Luong Andy and Quest World.

### 2.3.5 *Price Adjustment based on NAV*

The IMT-USA Consideration of S\$8,196,626 will be adjusted by deducting an amount equivalent to the amount by which (i) the net asset value (“**NAV**”) of IMT-USA determined based on the IMT-USA Financial Review (as defined below) (“**Actual IMT-USA NAV**”), is less than (ii) the NAV of IMT-USA determined based on the unaudited balance sheet of IMT-USA as at 30 June 2011 (“**Estimated IMT-USA NAV**”).

Pursuant to the IMT-USA SPA, ASL will procure and ensure that as soon as practicable following the IMT-USA Completion but in no event later than 60 days from the IMT-USA Completion Date:

- (a) a review of the accounts of IMT-USA shall be conducted by an accounting firm to be appointed by IMT-USA (“**IMT-USA Financial Review**”); and
- (b) a draft statement reflecting the results of the IMT-USA Financial Review shall be drawn up and delivered to Luong Andy and Quest World (“**IMT-USA Completion Statement**”).

Any dispute in respect of any amount reflected in the draft IMT-USA Completion Statement shall be resolved in accordance with the procedures set out in the IMT-USA SPA. The final IMT-USA Completion Statement shall be final and binding upon the parties.

In the event that the Actual IMT-USA NAV is less than the Estimated IMT-USA NAV, Luong Andy and Quest World shall pay to ASL the amount of such difference within ten (10) business days from the date of the final IMT-USA Completion Statement. No adjustments to the IMT-USA Consideration shall be made if the Actual IMT-USA NAV is more than the Estimated IMT-USA NAV. Such amount payable shall be paid in Singapore Dollars at the exchange rate of US\$1 : S\$1.29071.

The Board wishes to note that following the IMT-USA Completion, the accounts of IMT-USA will be audited in accordance with Singapore standards on auditing.

### 3. **FUNDING OF THE IMT-S CONSIDERATION AND IMT-USA CONSIDERATION**

The IMT-S Consideration and the IMT-USA Consideration will be financed through the Group's internal funds and/or bank borrowings.

### 4. **RATIONALE FOR THE PROPOSED TRANSACTION**

The Board of Directors of the Company (the “**Board**”) believes that the IMT-S Acquisition and the IMT-USA Acquisition are strategic acquisitions which are earnings accretive, significant to the Group's long term growth strategy and which will enhance the performance of the Group, for the following reasons:

- (a) as set out in more detail in paragraph 2.1.3 above, IMT-S and IMT-USA have capabilities which are integral to the Group's business and possess the necessary accreditation to supply services to the Group's major customer. The Proposed Transaction, if approved and completed, will increase and expand the range of the Group's capabilities and will enable the Group to directly supply an increased range of services to the Group's major customer and its other customers without incurring additional operational costs, thereby increasing the Group's competitiveness. As such, the Board views the Proposed Transaction as a stepping stone for the Group to generate more business opportunities and increase its profitability; and
- (b) transactions between the Group and each of IMT-S and IMT-USA are necessary for the Group's daily operations as the Group currently does not possess the necessary accreditation to supply services directly to its major customer, and such transactions have

been occurring, and will continue to occur, on a recurrent basis. However, IMT-S and IMT-USA are considered as interested persons within the meaning of Chapter 9 of the Listing Manual and each transaction between each of them and the Group will be considered as an interested person transaction. Although the Company may obtain a general mandate from Shareholders for recurrent transactions with IMT-S and IMT-USA, the general mandate of Shareholders is subject to an annual renewal.

As such, the Board is of the view that the potential benefits which may be reaped by the Group from the Proposed Transaction will far outweigh any commercial risks involved.

## 5. THE PROPOSED TRANSACTION AS AN INTERESTED PERSON TRANSACTION

### 5.1 *Details of the interested persons*

5.1.1 Luong Andy is an Executive Director, Chief Executive Officer and majority shareholder of the Company. He is the sole owner of IMT-S. Luong Andy also owns 3,921,373 shares in IMT-USA representing 70.84% of the issued and paid-up capital of IMT-USA.

5.1.2 Lee Luong Sylvia SY is an Executive Director and Chief Operating Officer of the Company, the spouse of Luong Andy and a director of Quest World.

5.1.3 Quest World owns the remaining 1,614,062 shares in IMT-USA representing 29.16% of the issued and paid-up capital of IMT-USA. It is wholly owned by Michelle Lee Yuk Lai, a sibling of Lee Luong Sylvia SY.

5.1.4 As such, Luong Andy, Lee Luong Sylvia SY, Quest World, IMT-S and IMT-USA are each deemed to be interested persons in relation to the Company and any transaction entered into by the Group with Luong Andy, Lee Luong Sylvia SY, Quest World, IMT-S and/or IMT-USA is deemed to be an interested person transaction.

Accordingly, the Proposed Transaction constitutes an interested person transaction under Chapter 9 of the Listing Manual.

### 5.2 *Shareholder approval*

The consideration for the IMT-S Acquisition is S\$19,803,374, which is equivalent to approximately 16.75% of the audited net tangible assets ("**NTA**") of the Group as at 31 December 2010. The consideration for the IMT-USA Acquisition is S\$8,196,626 and will be adjusted in accordance with the adjustment mechanism, details of which is set out in paragraph 2.3.5 above, which is equivalent to approximately 6.93% of the audited NTA of the Group as at 31 December 2010. Accordingly, the aggregate consideration for the Proposed Transaction, which is S\$28,000,000, is equivalent to approximately 23.68% of the audited NTA of the Group as at 31 December 2010.

As such, the Proposed Transaction will require the approval of the Shareholders pursuant to Rules 906(1)(a) and 906(1)(b) of the Listing Manual.

## 6. THE PROPOSED TRANSACTION AS A MAJOR TRANSACTION

6.1 Rule 1005 of the Listing Manual provides that separate transactions completed within a twelve (12) month period may be treated by the SGX-ST as one transaction for the purpose of determining the classification of a transaction. The IMT-S Completion and the IMT-USA Completion will be completed within twelve (12) months of each other given that (a) the completion of the IMT-S Acquisition is conditional upon the completion of the IMT-USA Acquisition and (b) the IMT-S Completion and the IMT-USA Completion shall both be no later than 31 March 2012, unless a later date is mutually agreed to in writing by the parties to the IMT-S SPA and the IMT-USA SPA, respectively. As such, the IMT-S Acquisition and IMT-USA Acquisition may be

considered as a single transaction for the purpose of determining how the transaction should be classified.

6.2 For illustrative purposes only, the relative figures for (a) the IMT-S Acquisition, (b) the IMT-USA Acquisition, and (c) the IMT-S Acquisition aggregated together with the IMT-USA Acquisition, calculated in accordance with the bases set out in Rule 1006, are set out below:

Listing Rule	Bases	Relative Figures for the IMT-S Acquisition	Relative Figures for the IMT-USA Acquisition	Relative Figures for the IMT-S Acquisition and IMT-USA Acquisition
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the net asset value of the Group.	This basis is not applicable to acquisitions.	This basis is not applicable to acquisitions.	This basis is not applicable to acquisitions.
Rule 1006(b)	The net profits <sup>(1)</sup> attributable to the assets acquired or disposed of, compared with the Group's net profits. <sup>(2)</sup>	14.99%	6.21%	21.20%
Rule 1006(c)	The aggregate value of the consideration given or received by the Company, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares.	16.67% <sup>(3)</sup>	6.90% <sup>(3)</sup>	23.57% <sup>(3)</sup>
Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	This basis is not applicable because no securities will be issued.	This basis is not applicable because no securities will be issued.	This basis is not applicable because no securities will be issued.

**Notes:**

- (1) Under Rule 1002(3)(b) of the Listing Manual, "net profits" is defined as a profit or loss before income tax, minority interest and extraordinary items. Based on the unaudited financial statements of IMT-USA and the audited financial statements of IMT-S and the Company for the financial year ended 31 December 2010, (a) the Group had a net profit of S\$33,289,000, and (b) the net profit attributable to the IMT-S Shares and the IMT-USA Shares is approximately S\$4,991,000 and S\$2,065,777 (based on the average exchange rate of US\$1 : S\$1.3627 for the year ended 31 December 2010), respectively.
- (2) The relative figures used for Rule 1006(b) are based on (i) the unaudited financial statements of IMT-USA and the audited financial statements of IMT-S and the Company for the financial year ended 31 December 2010 and (ii) the assumption that the Proposed Transaction had been effected at the beginning of FY2010 on 1 January 2010.
- (3) The market capitalisation of the Company used in the above computation is S\$118,801,495, which is determined based on 343,754,327 Shares in issue and the weighted average price of the shares of approximately S\$0.3456 per Share transacted on the SGX-ST on 1 December 2011 (being the trading day prior to the date which the Company had entered into the Proposed Transaction).

6.3 On the basis of Rules 1006(b) and 1006(c) above, the Proposed Transaction is a major



transaction as defined in Rule 1014 of the Listing Manual. Accordingly, the Proposed Transaction will require the approval of the Shareholders.

## 7. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

### 7.1 Assumptions

The financial effects of the Proposed Transaction on the NTA and earnings per share (“EPS”) of the Group set out below have been prepared based on the following assumptions:

- (a) the financial effects of the Proposed Transaction are based on the terms of the Proposed Transaction as at the date of this Circular;
- (b) the financial effects of the Proposed Transaction are purely for illustrative purposes and should not be taken as an indication of the actual financial performance of the Group following the Proposed Transaction nor a projection of the future financial performance or position of the Group after the IMT-S Completion and IMT-USA Completion;
- (c) no adjustments have been made to align any differences that may result from the adoption of different accounting standards and policies by the Group and each of IMT-S and IMT-USA; and
- (d) the carrying value of the net assets being acquired in IMT-S and IMT-USA has been assumed to approximate fair value. In addition, no impairment assessment of any resultant goodwill has been performed. As the final goodwill has to be determined upon the IMT-S Completion and IMT-USA Completion, the actual goodwill could be materially different from this assumption. Any goodwill arising thereon from the Proposed Transaction will be accounted for in accordance with the accounting policies of the Group and assessed for impairment as appropriate.

### 7.2 Effect on NTA per share

- (a) Assuming that the Proposed Transaction had been effected at the end of financial year ended 31 December 2010 (“FY2010”) on 31 December 2010 (being the end of the most recently completed financial year for which financial results are available), based on the audited consolidated financial statements of the Group for FY2010, the NTA per share of the Company for FY2010 would have been 28.82 cents after the Proposed Transaction had been effected as compared to 34.39 cents before the Proposed Transaction had been effected, as illustrated below:

	<b>Before the Proposed Transaction</b>	<b>After the Proposed Transaction<sup>(2)</sup></b>
NTA (S\$'000) <sup>(1)</sup>	118,229	99,081
Number of issued and paid up ordinary shares of the Company at the end of FY2010 ('000)	343,754	343,754
NTA per Share (cents)	34.39	28.82

**Notes:**

- (1) This calculation, which takes into account the NTA of IMT-USA, is based on the exchange rate of US\$1 : S\$1.3137, being the year end closing exchange rate as at 31 December 2010.
- (2) The illustrative figures in this column do not take into account the price adjustment as contemplated in

paragraph 2.3.5 above.

- (b) Assuming that the Proposed Transaction had been effected on 30 June 2011, the NTA per share of the Company would have been 29.20 cents after the Proposed Transaction had been effected as compared to 34.37 cents before the Proposed Transaction had been effected, as illustrated below:

	<b>Before the Proposed Transaction</b>	<b>After the Proposed Transaction <sup>(2)</sup></b>
NTA (S\$'000) <sup>(1)</sup>	118,153	100,381
Number of issued and paid up ordinary shares of the Company at the end of HY2011 ('000)	343,754	343,754
NTA per Share (cents)	34.37	29.20

**Notes:**

- (1) This calculation, which takes into account the NTA of IMT-USA, is based on the exchange rate of US\$1 : S\$1.2325, being the exchange rate as of 30 June 2011.
- (2) The illustrative figures in this column do not take into account the price adjustment as contemplated in paragraph 2.3.5 above.

**7.3 Effect on Earnings Per Share**

- (a) Assuming that the Proposed Transaction had been effected at the beginning of FY2010 on 1 January 2010 (being the most recently completed financial year for which financial results are available), based on the audited consolidated financial statements of the Group for FY2010, the EPS per share of the Company for FY2010 would have been 9.93 cents after the Proposed Transaction had been effected as compared to 8.25 cents before the Proposed Transaction had been effected, as illustrated below:

	<b>Before the Proposed Transaction</b>	<b>After the Proposed Transaction <sup>(2)</sup></b>
Profits after taxation <sup>(1)</sup> (S\$'000)	28,745	34,605
Weighted average number of ordinary shares of the Company in issue in FY2010 ('000)	348,619	348,619
EPS (cents)	8.25	9.93

**Notes:**

- (1) This calculation is based on the exchange rate of US\$1 : S\$1.3627, being the average exchange rate for the year of 2010.
- (2) The illustrative figures in this column do not take into account the price adjustment as contemplated in paragraph 2.3.5 above.

- (b) Assuming that the Proposed Transaction had been effected at the beginning of HY2011 (being the most recently completed half-year for which financial results are available), the EPS per share of the Company would have been 5.22 cents after the Proposed Transaction had been effected as compared to 4.24 cents before the Proposed Transaction had been effected, as illustrated below:

	<b>Before the Proposed Transaction</b>	<b>After the Proposed Transaction <sup>(2)</sup></b>
Profits after taxation <sup>(1)</sup> (S\$'000)	14,584	17,950
Weighted average number of ordinary shares of the Company in issue in HY2011 ('000)	343,754	343,754
EPS (cents)	4.24	5.22

**Notes:**

- (1) This calculation is based on the exchange rate of US\$1 : S\$1.2593, being the average exchange rate for the period beginning from 1 January 2011 and ending on 30 June 2011.
- (2) The illustrative figures in this column do not take into account the price adjustment as contemplated in paragraph 2.3.5 above.

**8. TOTAL VALUE OF INTERESTED PERSON TRANSACTIONS**

- 8.1 As at 2 December 2011 and taking into account the Proposed Transaction, the aggregate value of all transactions with Luong Andy, Lee Luong Sylvia SY, Quest World, IMT-S and IMT-USA for the financial year ending 31 December 2011 is S\$37,294,978, which is equal to 31.54% of the Group's NTA.
- 8.2 As at 2 December 2011 and taking into account the Proposed Transaction, the total aggregate value of all Interested Person Transactions for the financial year ending 31 December 2011 is S\$37,309,298, which is equal to 31.56% of the Group's net tangible assets.

**9. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as stated herein, none of the directors of the Company (the "**Directors**") or controlling Shareholders has any interest, direct or indirect, in the Proposed Transaction.

**10. INDEPENDENT FINANCIAL ADVISER**

The Company has appointed Deloitte & Touche Corporate Finance Pte Ltd as the independent financial adviser ("**IFA**") to advise the Directors who do not have an interest in the Proposed Transaction on whether the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and the minority Shareholders.

**11. STATEMENT OF THE AUDIT COMMITTEE**

The Audit Committee of the Company will consider the opinion of the IFA when it issues its opinion letter in due course and will form a view on the Proposed Transaction, which will be set out in the Circular (as defined below).

**12. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Transaction, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**13. CIRCULAR TO SHAREHOLDERS**

The Company will, in due course, despatch to the Shareholders a circular containing further details of the Proposed Transaction, the opinion of the IFA, and the notice of the EGM ("**Circular**").

**14. DOCUMENTS FOR INSPECTION**

A copy of each of the IMT-S SPA and IMT-USA SPA are available for inspection by the Shareholders during normal business hours at the registered office of the Company at 23 Changi North Crescent, Changi North Industrial Estate, Singapore 499616, for a period of three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

Shirley Lim  
Company Secretary  
2 December 2011