

**EXIT OFFER LETTER DATED 28 JANUARY 2016**

**THIS EXIT OFFER LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt about the matters contained in this Exit Offer Letter or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. Deloitte & Touche Corporate Finance Pte Ltd is acting for and on behalf of Advance Technology Holding Ltd and does not purport to advise any Shareholder (as defined herein) or any other person.**

If you have sold or transferred all your Shares (as defined herein) represented by physical share certificate(s), you should immediately forward this Exit Offer Letter and the accompanying FAT (as defined herein) to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

**The views of the Directors (as defined herein) and the IFA (as defined herein) on the Delisting Proposal (as defined herein) and the Exit Offer (as defined herein) are set out in the Delisting Circular (as defined herein), which is despatched together with this Exit Offer Letter. You may wish to consider their views before taking any action in relation to the Exit Offer.**

The SGX-ST (as defined herein) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Exit Offer Letter.

## **EXIT OFFER**

in connection with

### **THE PROPOSED VOLUNTARY DELISTING OF SINOTEL TECHNOLOGIES LTD. FROM THE OFFICIAL LIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

by

#### **DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD**

(Company Registration Number: 200200144N)  
(Incorporated in the Republic of Singapore)

for and on behalf of

#### **ADVANCE TECHNOLOGY HOLDING LTD**

(Company Number: 1863143)  
(Incorporated in the British Virgin Islands)

to acquire all the issued ordinary shares in the capital of

#### **SINOTEL TECHNOLOGIES LTD.**

(Company Registration Number: 200614275R)  
(Incorporated in the Republic of Singapore)

other than those Shares held, directly or indirectly, by Advance Technology Holding Ltd  
as at the date of the Offer

**ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE EXIT OFFER AT 5.30 P.M. ON 4 MARCH 2016 OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF ADVANCE TECHNOLOGY HOLDING LTD.**

# DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD

(Company Registration Number: 200200144N)  
(Incorporated in the Republic of Singapore)

28 January 2016

To: The Shareholders of **SINOTEL TECHNOLOGIES LTD.**

Dear Sir/Madam

## **VOLUNTARY DELISTING OF SINOTEL TECHNOLOGIES LTD. - EXIT OFFER LETTER**

### **1. INTRODUCTION**

#### **1.1 EGM**

Sinotel Technologies Ltd. (the “**Company**”) is convening an Extraordinary General Meeting (the “**EGM**”) scheduled to be held on 19 February 2016 to seek the approval of the shareholders of the Company (the “**Shareholders**”) for the voluntary delisting of the Company (the “**Delisting**”) from the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the “**Listing Manual**”).

A copy of the circular to Shareholders dated 28 January 2016 issued by the Company to the Shareholders in relation to the Delisting (the “**Delisting Circular**”) is despatched together with this letter (the “**Exit Offer Letter**”) and the relevant Acceptance Form(s), and is also available at the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

#### **1.2 Exit Offer Letter**

This Exit Offer Letter sets out the terms and conditions of the exit offer (the “**Exit Offer**”) by Advance Technology Holding Ltd (the “**Offeror**”), to acquire all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of the Company other than those Shares already owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and parties acting or deemed to be acting in concert with it in connection with the Exit Offer (the “**Offer Shares**”). This Exit Offer Letter, together with the relevant Acceptance Form(s), are despatched to you by the Offeror.

The Exit Offer may only be accepted by the relevant Shareholder to whom this Exit Offer Letter is addressed. The Exit Offer and the Acceptance Form(s) shall not be construed as, may not be used for the purpose of, and do not constitute, a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstances in which such notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation. Accordingly, persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in or to any such overseas jurisdiction. The Offeror reserves the right to reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction.

Please note that the Exit Offer is conditional on the approval of the resolution to be proposed at the EGM to approve the Delisting (the “**Delisting Resolution**”).

#### **1.3 Terms and References**

Unless otherwise defined, all terms and references used in this Exit Offer Letter shall have the same meanings as defined in the Delisting Circular. All references to a time of day or date in this Exit Offer Letter are a reference to Singapore time and date, unless otherwise stated.

#### 1.4 Cautionary note

**The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Exit Offer Letter.** If you are in any doubt about the Exit Offer, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately.

**Please read this Exit Offer Letter and the Delisting Circular (including the advice of Provenance Capital Pte. Ltd., the independent financial advisor to the Independent Directors of the Company (the “IFA”), and the recommendation of the Independent Directors of the Company, on the Exit Offer) carefully in their entirety.**

## 2. THE EXIT OFFER

The Offeror makes the offer to acquire all the Offer Shares on the terms and subject to the conditions set out in this Exit Offer Letter (including the Acceptance Forms), and on the following basis:

### 2.1 Exit Offer Price

The consideration for each Offer Share is **S\$0.128 in cash** (the “**Exit Offer Price**”).

**The Offeror does not intend to revise the Exit Offer Price under any circumstances.**

### 2.2 No Encumbrances

The Offer Shares will be acquired:

- (a) fully paid;
- (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and any other third party rights and interests of any nature whatsoever (the “**Encumbrances**”); and
- (c) together with all rights, benefits and entitlements attached thereto as at 30 November 2015, being the date of the joint announcement by the Offeror and the Company of the Delisting (the “**Joint Announcement Date**”) and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date).

### 2.3 Conditions

The Delisting and the Exit Offer will each be conditional on the following:

- (a) SGX-ST’s approval of the Delisting;
- (b) the Delisting Resolution being passed at the EGM. Pursuant to Rule 1307 of the Listing Manual, the Delisting Resolution is considered passed if it is approved by a majority of at least 75% of the total number of issued Shares excluding treasury shares held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (please note that the Directors and Controlling Shareholders need not abstain from voting on the Delisting Resolution); and
- (c) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares excluding treasury shares held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

**The Delisting Resolution, if approved by Shareholders at the EGM in accordance with Rule 1307 of the Listing Manual, will result in the Delisting.**

**Shareholders are to note that if any of the above conditions listed in this Section 2.3 is not met, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.**

Under Rule 1307(2) of the Listing Manual, all Shareholders including the Directors and Controlling Shareholders are entitled to vote on the Delisting Resolution. The Offeror has irrevocably and unconditionally undertaken to the Company, *inter alia*, to vote in favour of the Delisting Resolution at the EGM in respect of all its Shares.

As at 21 January 2016 (the “**Latest Practicable Date**”), the Offeror and parties acting in concert with it own, control or have agreed to acquire, directly or indirectly, an aggregate of 362,061,367 Shares, representing approximately 85.61% of the issued Shares.

The SGX-ST has advised in its letter dated 11 January 2016 that it has no objection to the Delisting, subject to the approval by the Shareholders in compliance with Rule 1307 of the Listing Manual. However, the aforesaid SGX-ST’s decision is not an indication of the merits of the Delisting.

## **2.4 Acceptances**

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of the Offer Shares. For illustrative purposes, each Shareholder who accepts the Exit Offer will receive S\$12.80 for every 100 Offer Shares validly tendered for acceptance under the Exit Offer.

## **2.5 Warranty**

Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted is sold by him as, or on behalf of, the beneficial owner(s) thereof, fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date).

## **2.6 Duration**

If the Delisting Resolution is approved by Shareholders at the EGM, the Exit Offer will be open for acceptance by Shareholders for a period of at least 14 days after the date of the announcement of Shareholders’ approval of the Delisting Resolution. Accordingly, the Exit Offer will close at 5.30 p.m. on 4 March 2016 or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”).

Although no extension of the Exit Offer is currently contemplated, if the Exit Offer is extended, an announcement will be made of such extension, and the Exit Offer will remain open for acceptance for such period as may be announced. If the Exit Offer is extended, Shareholders who have validly accepted the Exit Offer in respect of part of their Shares will be entitled to tender additional Offer Shares in acceptance of the Exit Offer.

## **2.7 Regulatory Approvals**

An application was made by the Company to the Securities Industry Council (the “**SIC**”) to seek certain rulings in relation to the Delisting Proposal and the Exit Offer. The SIC ruled on 24 November 2015 that:

- (a) the Exit Offer is exempted from compliance with the following provisions of the Singapore Code on Take-overs and Mergers:
  - (i) Rule 20.1 on keeping the Exit Offer open for 14 days after it is revised;
  - (ii) Rule 22 on the offer timetable;
  - (iii) Rule 28 on acceptances; and
  - (iv) Rule 29 on the right of acceptors to withdraw their acceptances,

subject to the following conditions:

- (I) disclosure in the Exit Offer Letter of:
  - (i) the consolidated net tangible assets (“**NTA**”) per Share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Exit Offer Letter; and
  - (ii) particulars of all known material changes as at the Latest Practicable Date which may affect the consolidated NTA per Share referred to in paragraph 2.7(a)(I)(i) above or a statement that there are no such known material changes; and
- (II) the Exit Offer being kept open for at least:
  - (i) 21 days after the date of the despatch of the Exit Offer Letter, if the Exit Offer Letter is despatched after Shareholders’ approval for the Delisting has been obtained; or
  - (ii) 14 days after the date of the announcement of Shareholders’ approval of the Delisting if the Exit Offer Letter is despatched together with the Delisting Circular; and
- (b) Jia Yue Ting, the Executive Chairman of the Company, is exempted from the requirement to make a recommendation on the Exit Offer to the Shareholders as he faces a conflict of interests in doing so being a Concert Party of the Offeror by virtue of his shareholding interest in the Offeror. Jia Yue Ting must, nonetheless, still assume responsibility for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.

### 3. COURSES OF ACTION AVAILABLE TO THE SHAREHOLDERS

	Option 1	Option 2	Option 3
Options	Vote in <u>Favour</u> of the Delisting Resolution and <u>Accept</u> the Exit Offer	Vote in <u>Favour</u> of the Delisting Resolution but <u>Reject</u> the Exit Offer and remain a Shareholder and participate in the Company’s future plans	Vote <u>Against</u> the Delisting Resolution and <u>Reject</u> the Exit Offer
What you need to do	Vote in favour of the Delisting Resolution at the EGM.	Vote in favour of the Delisting Resolution at the EGM.	Vote against the Delisting Resolution at the EGM.
	You should complete, sign and return the relevant Acceptance Form, which is enclosed with this Exit Offer Letter.	You do not have to take any action with the Acceptance Form.	
	Please follow the provisions and instructions stated in this Exit Offer Letter, the Delisting Circular and the relevant Acceptance Form.	In the event that the Company is delisted from the Official List of the SGX-ST, you will continue to hold shares in an unlisted company. If you hold Shares that are deposited with CDP, one share certificate representing your unquoted Shares will be sent, by ordinary post and at your own risk, to your mailing address as it appears in the records of CDP, after the Company has been delisted from the Official List of the SGX-ST.	
	The procedures for acceptance and settlement of the Exit Offer are set out in Appendix I to this Exit Offer Letter.	Please refer to Section 8 of this Exit Offer Letter and Section 10 of the Delisting Circular.	

	Option 1	Option 2	Option 3
<b>Options</b>	<b>Vote in Favour of the Delisting Resolution and Accept the Exit Offer</b>	<b>Vote in Favour of the Delisting Resolution but Reject the Exit Offer and remain a Shareholder and participate in the Company's future plans</b>	<b>Vote Against the Delisting Resolution and Reject the Exit Offer</b>
<b>Duration</b>	You can accept the Exit Offer during the period commencing from 28 January 2016 and ending at 5.30 p.m. on the Closing Date.	Not relevant.	
<b>Implications</b>	If the Delisting Resolution is approved, you will receive the Exit Offer Price.	If the Delisting Resolution is approved, you will remain a Shareholder even after the Company is delisted from the Official List of the SGX-ST.	
		Please note that within four months of making of the Exit Offer, in the event that the Offeror receives valid acceptances pursuant to the Exit Offer of not less than 90% of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer), the Offeror intends to exercise its rights under Section 215(1) of the Companies Act, Chapter 50 (the " <b>Companies Act</b> ") to compulsorily acquire the remaining Shares.	

#### 4. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

The Offeror is a special purpose vehicle incorporated in the British Virgin Islands on 17 February 2015 and has not carried on any business since its incorporation. It has an issued and paid-up share capital of US\$50,000 comprising 50,000 ordinary shares with a par value of US\$1 each.

The sole director of the Offeror is Zhang Rong and the sole shareholder of the Offeror is Jia Yue Ting. Jia Yue Ting is the Executive Chairman of the Company. Zhang Rong is the sister-in-law of Jia Yue Ting.

Immediately prior to the Joint Announcement Date, the Offeror owned and controlled in aggregate 340,401,067 Shares, representing approximately 80.49% of the issued share capital of the Company. Jia Yue Ting is deemed to be interested in all the Shares held by the Offeror under Section 7 of the Companies Act.

Additional information on the Offeror and its shareholding in the Company is set out in Appendix II to the Delisting Circular.

#### 5. INFORMATION ON THE COMPANY AND THE GROUP

The Company was incorporated in Singapore on 28 September 2006 under the name of "Sinotel Technologies Pte. Ltd.". The principal activity of the Company is that of an investment holding company. On 18 October 2007, the Company was converted into a public limited company and changed its name to "Sinotel Technologies Ltd.". The Company is listed on the Main Board of the SGX-ST since 12 November 2007.

The Group is an integrated connectivity provider of innovative applications and solutions for the full spectrum of the wireless telecommunication value chain in the PRC.

As the Company had recorded pre-tax losses for the three most recently completed consecutive financial years (i.e. financial years ended 31 December 2012, 2013 and 2014) and an average daily market capitalisation of less than S\$40 million over the last 120 Market Days on which trading was not suspended or halted, it had been placed on the watch-list with effect from 4 March 2015.

The Company will have to fulfil the requirements under Rule 1314 of the Listing Manual for its removal from the watch-list within 24 months from 4 March 2015, failing which the SGX-ST would delist the Company or suspend trading in the Shares with a view to delisting the Company. Rule 1314 of the Listing Manual states that an issuer on the watch-list may apply to the SGX-ST for its removal from the watch-list if it satisfies any one of the following requirements:

- (i) the issuer records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts, excluding exceptional or non-recurrent income and extraordinary items) and has an average daily market capitalisation of S\$40 million or more over the last 120 Market Days on which trading was not suspended or halted for a full Market Day; or
- (ii) the issuer satisfies Rule 210(3) of the Listing Manual and either one of the following requirements:
  - (a) cumulative consolidated pre-tax profit of at least S\$7.5 million for the last three years, and a minimum pre-tax profit of S\$1 million for each of those three years; or
  - (b) cumulative consolidated pre-tax profit of at least S\$10 million for the last one or two years. Rule 210(3)(a) of the Listing Manual applies to the last one year or last two years as the case may be.

As at the Latest Practicable Date, the Company:

- (a) has 422,915,000 Shares in issue; and
- (b) has not granted any options or issued any rights, warrants or other securities convertible into, exercisable for or redeemable into any Shares.

Based on the unaudited consolidated balance sheet as at 30 September 2015, the NTA of the Group was approximately 71.5 RMB cents per Share. As at the Latest Practicable Date, there has been, within the knowledge of the Directors of the Company, no material change in the unaudited consolidated NTA per Share of the Group since 30 September 2015.

Additional information on the Group is set out in Appendix III to the Delisting Circular.

## 6. RATIONALE FOR THE DELISTING

### 6.1 Low trading liquidity of Shares

The trading liquidity of the Shares on the SGX-ST has generally been thin.

The average daily trading volume and the respective percentage of the Shares for the twelve (12) month, six (6) month, three (3) month period and one (1) month prior to and including the Last Trading Day are as follows:

Prior to the Joint Announcement Date	Average daily trading volume <sup>(1)</sup> ('000)	Average daily trading volume as a percentage of free float <sup>(2)</sup> (%)
Last one (1) year	449	0.54
Last six (6) months	113	0.14
Last three (3) months	6	0.01
Last one (1) month	8	0.01
24 November 2015 (being the trading day the Shares were last transacted prior to the release of the Joint Announcement)	23	0.03

Source: Bloomberg L.P.

**Notes:**

- (1) The average daily trading volume of the Shares is computed based on the total volume of Shares traded on the SGX-ST (excluding off market transactions) during the relevant periods, divided by the number of days which the SGX-ST was open for trading (excluding days with full day trading halts on the Shares) during that period.
- (2) Free float refers to the Shares other than those directly and deemed held by the Directors and substantial Shareholders of the Company. For the purpose of computing the average daily trading volume as a percentage of free float, we have used the conservative free float of approximately 82.5 million Shares based on the free float of 19.5% of the total number of issued Shares after the close of the mandatory conditional general cash offer for the Shares made by the Offeror on 12 March 2015.

Based on the historical trading patterns, it is the Offeror's view that the low liquidity of the Shares is likely to continue and accordingly, the purpose of maintaining the Company's listing status for trading liquidity of the Shares does not appear to have been achieved.

The Exit Offer will provide a cash exit opportunity for those Shareholders who wish to realise the value of their investments in the Shares but find it difficult to do so as a result of the low trading liquidity of the Shares.

**6.2 Compliance costs of maintaining a listing**

In maintaining its listed status on the Official List of the SGX-ST, the Company incurs additional compliance costs and resources as well as subjects its corporate actions to various regulatory requirements associated with a SGX-ST listed company.

The Delisting Proposal, if proceeded with, will allow the Company to dispense with expenses relating to the maintenance of a listed status and to optimise the use of its management and capital resources on its business operations.

**6.3 Greater management flexibility**

The Delisting will facilitate greater management flexibility in the utilisation and deployment of the resources of the Group. The Delisting will also allow the Company and the Offeror to rationalise the management, resources and cost structure of the Group's businesses for greater efficiency and competitiveness.

**6.4 Difficulty in accessing the equity capital markets**

A primary reason for companies to maintain a listing on the SGX-ST is to access the capital markets for fund-raising purposes. However, the Group has been loss-making for the past three consecutive financial years ended 31 December 2012, 2013 and 2014 and has been placed on the SGX-ST's watch-list with effect from 4 March 2015. Given the current financial health of the Group, it is unlikely that the Company will be able to access the equity capital market to finance its operations, and therefore, it is not meaningful for the Company to maintain its listing status.

**7. OFFEROR'S INTENTIONS FOR THE GROUP**

As the Group has been loss-making for the past three consecutive financial years, the Offeror intends to take steps to consider a suitable rationalisation plan with a view to streamlining the businesses and operations of the Group, including cost-saving measures, should the Offeror be successful in delisting and privatising the Company. Such rationalisation may involve potential transactions with interested persons or disposal of assets to third parties that could attract Shareholders' approval and other compliance requirements pursuant to Chapters 9 and 10 of the Listing Manual respectively, all of which will incur additional compliance costs and resources, which could be dispensed with if the Company were a private company, thus allowing the Offeror to have more flexibility and cost-saving options in implementing its rationalisation plan.

Save as aforesaid and other steps to be taken in connection with the ordinary course of business of the Group, the Offeror does not currently have any intention to: (a) propose any changes to the existing businesses of the Group, (b) discontinue the employment of employees of the Group, or (c) redeploy the fixed assets of the Group. However, the Offeror retains the flexibility at any time to consider any options or opportunities in relation to the Group which may present themselves and which it may regard to be in the best interests of the Group.



## 8. IMPLICATIONS OF DELISTING FOR SHAREHOLDERS

Shareholders should note that if the Delisting Resolution is approved in accordance with the requirements of the Listing Manual and the conditions listed in Section 2.3 of this Exit Offer Letter are fulfilled, the Company will be delisted. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold shares in the Company, which will then be an unlisted company.

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies due to the lack of marketability. Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares, as there is no arrangement for such Shareholders to exit. Even if such Shareholders were able to sell their Shares, they would likely receive a lower price as compared with the Exit Offer Price or the market prices of the shares of comparable listed companies.

If the Company is delisted from the Official List of the SGX-ST, it will no longer be obliged to comply with the listing requirements of the SGX-ST, in particular, the continuing corporate disclosure requirements under Chapter 7 of the Listing Manual and Appendices 7.1 to 7.7 of the Listing Manual. 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 Exit 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 Exit Offer will be entitled to one share certificate representing his unquoted Shares. The Company's share registrar, B.A.C.S. Private Limited at 8 Robinson Road #03-00 ASO Building, Singapore 048544, will arrange to forward the share certificates to such Shareholders (who are not CPFIS Investors), 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 safe-keeping. The share certificates belonging to CPFIS Investors will be forwarded to their respective CPF Agent Banks for their safe-keeping, details of which are set out in Appendix I to this Exit Offer Letter. If a Shareholder wishes to split his share certificate into other denominations, he will be required to pay for each share certificate so required, a fee at the prevailing rate of S\$2.00 (exclusive of goods and services tax).

**Shareholders who are in doubt of their position should seek independent legal advice.**

## 9. COMPULSORY ACQUISITION OF SHARES BY THE OFFEROR

Pursuant to Section 215(1) of the Companies Act, if within four months of the making of the Exit Offer, the Offeror receives acceptances pursuant to the Exit Offer of not less than 90% of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer), the Offeror will have the right to compulsorily acquire, at the Exit Offer Price, all the Shares of Shareholders who have not accepted the Exit Offer.

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with Shares held by it, comprise 90% or more of the Shares, Shareholders who have not accepted the Exit Offer have a right to require the Offeror to acquire their Shares at the Exit Offer Price. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

It is the intention of the Offeror to exercise such right of compulsory acquisition if the Offeror should acquire sufficient Offer Shares to be entitled to such right. In such an event and upon completion of the compulsory acquisition, the Company will then become a wholly-owned subsidiary of the Offeror.

**Shareholders who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent professional advice.**

## 10. CONFIRMATION OF FINANCIAL RESOURCES

Deloitte & Touche Corporate Finance Pte Ltd, being the financial adviser to the Offeror in connection with the Exit Offer, confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Exit Offer by Shareholders on the basis of the Exit Offer Price.

## 11. DISCLOSURES AND DEALINGS

### 11.1 Shareholdings of the Offeror and its Concert Parties in the Company

Save as disclosed below, none of the Offeror or any parties acting in concert with it ("**Concert Parties**") owns, controls or has agreed to acquire any (i) Shares, (ii) securities which carry voting rights in the Company, or (iii) instruments convertible into, rights to subscribe for or options in respect of (i) or (ii) as at the Latest Practicable Date.

The Offeror and its Concert Parties	Direct Interest		Deemed Interest	
	No. of Shares	% <sup>(3)</sup>	No. of Shares	% <sup>(3)</sup>
Advance Technology Holding Ltd <sup>(1)</sup>	–	–	362,061,367	85.61
Jia Yue Ting <sup>(2)</sup>	–	–	362,061,367	85.61
<b>TOTAL</b>	–	–	362,061,367	85.61

#### Notes:

- (1) The Offeror is deemed to be interested in an aggregate of 362,061,367 Shares held by a nominee company.
- (2) Jia Yue Ting is deemed to be interested in an aggregate of 362,061,367 Shares held by the Offeror by virtue of Section 7 of the Companies Act.
- (3) Computed based on the issued share capital of the Company of 422,915,000 Shares as at the date of this Exit Offer Letter.

Jia Yue Ting is a party acting in concert with the Offeror in respect of his shareholding interest in the Offeror for purposes of the Delisting.

As at the Latest Practicable Date, the Offeror and its Concert Parties own an aggregate of 362,061,367 Shares representing approximately 85.61% of the issued Shares.

### 11.2 No Other Holdings and Dealings

- (a) Save as disclosed below, none of the Offeror or its Concert Parties has dealt for value in any (i) Shares, (ii) securities which carry voting rights in the Company or (iii) instruments convertible into, rights to subscribe for or options in respect of (i) or (ii) during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

Name	Date of Dealing	No. of Shares Acquired	Transaction Price per Share (S\$)
Advance Technology Holding Ltd	30 November 2015	1,648,300	0.128
Advance Technology Holding Ltd	1 December 2015	676,000	0.128
Advance Technology Holding Ltd	2 December 2015	1,150,500	0.128
Advance Technology Holding Ltd	3 December 2015	1,067,000	0.128
Advance Technology Holding Ltd	4 December 2015	1,825,000	0.128
Advance Technology Holding Ltd	7 December 2015	900,000	0.128
Advance Technology Holding Ltd	8 December 2015	704,900	0.128
Advance Technology Holding Ltd	9 December 2015	675,000	0.128
Advance Technology Holding Ltd	10 December 2015	1,260,400	0.128
Advance Technology Holding Ltd	11 December 2015	515,000	0.128
Advance Technology Holding Ltd	14 December 2015	549,900	0.128

Name	Date of Dealing	No. of Shares Acquired	Transaction Price per Share (S\$)
Advance Technology Holding Ltd	15 December 2015	930,000	0.128
Advance Technology Holding Ltd	16 December 2015	1,540,000	0.128
Advance Technology Holding Ltd	21 December 2015	1,860,000	0.128
Advance Technology Holding Ltd	22 December 2015	950,000	0.128
Advance Technology Holding Ltd	23 December 2015	1,350,000	0.128
Advance Technology Holding Ltd	29 December 2015	358,000	0.128
Advance Technology Holding Ltd	30 December 2015	1,305,000	0.128
Advance Technology Holding Ltd	5 January 2016	700,000	0.128
Advance Technology Holding Ltd	6 January 2016	126,500	0.128
Advance Technology Holding Ltd	11 January 2016	56,000	0.128
Advance Technology Holding Ltd	12 January 2016	113,100	0.128
Advance Technology Holding Ltd	14 January 2016	1,037,700	0.128
Advance Technology Holding Ltd	15 January 2016	122,000	0.128
Advance Technology Holding Ltd	18 January 2016	127,000	0.128
Advance Technology Holding Ltd	20 January 2016	113,000	0.128

- (b) Save as disclosed below, none of the Offeror or its Concert Parties has received any irrevocable undertaking from any party to vote for or against the Delisting Resolution and/or to accept or reject the Exit Offer as at the Latest Practicable Date.

The Offeror has irrevocably and unconditionally undertaken to the Company that it will (i) not transfer or dispose of any of its Shares at any time prior to the completion of the Exit Offer; and (ii) vote in favour of the Delisting Resolution at the EGM in respect of all of its Shares. The above undertaking shall expire if the Delisting Resolution is not approved at the EGM or if the Exit Offer is withdrawn, lapses or closes.

## 12. ACTIONS TO BE TAKEN BY SHAREHOLDERS

If you hold Offer Shares that are deposited with The Central Depository (Pte) Limited (the “**CDP**”), you should receive a FAA for Offer Shares together with this Exit Offer Letter. If you have not received the FAA, you may obtain a copy of the FAA for Offer Shares from CDP, at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, upon production of satisfactory evidence that you are a Shareholder.

If you hold Offer Shares that are represented by share certificate(s) and are not deposited with CDP, you should receive a FAT together with this Exit Offer Letter. If you have not received a FAT, you may obtain a copy of the FAT from the office of the Company’s share registrar, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544, upon production of satisfactory evidence that you are a Shareholder.

### 12.1 If you wish to accept the Exit Offer

You should duly complete, sign and return the relevant signed Acceptance Form in accordance with the provisions and instructions on that Acceptance Form and in this Exit Offer Letter during the period commencing from the date of despatch of this Exit Offer Letter and ending at 5.30 p.m. on the Closing Date.

If you hold the share certificate(s) of the Offer Shares beneficially owned by you and wish to accept the Exit Offer in respect of such Offer Shares, you **should not** deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive) as your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Exit Offer.

## **12.2 If you choose not to accept the Exit Offer**

You do not have to take any action. In the event that the Delisting Resolution is approved by Shareholders at the EGM and the Company is delisted from the Official List of the SGX-ST, you will continue to hold unquoted Shares. If you hold Shares that are deposited with CDP, a share certificate in respect of your Shares will be delivered to your mailing address as it appears in the records of CDP by ordinary post, and at your own risk, after the Delisting.

The detailed procedures for acceptance are set out in Appendix I to this Exit Offer Letter, for your information.

## **13. CPFIS INVESTORS**

CPFIS Investors should refer to the separate letter from their respective CPF Agent Banks for information on how to accept or reject the Exit Offer under CPFIS. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information. Additional information pertaining to CPFIS Investors is set out in Appendix I to this Exit Offer Letter.

## **14. OVERSEAS SHAREHOLDERS**

### **14.1 Overseas Shareholders**

The availability of the Exit Offer to Shareholders whose addresses are outside Singapore, as shown on the Register of Members of the Company or, as the case may be, in the records of CDP (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about, and observe any applicable legal requirements in their own jurisdictions.

The Exit Offer is made to all Shareholders holding Offer Shares, including those to whom this Exit Offer Letter and the Acceptance Form have not been or will not be sent. However, where there are potential restrictions on sending this Exit Offer Letter and the Acceptance Form to any overseas jurisdiction, the Offeror reserves the right not to send such documents to the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Copies of this Exit Offer Letter, relevant Acceptance Form and any other formal documentation relating to the Exit 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 Exit Offer would potentially violate the applicable law 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.

### **14.2 Copies of Exit Offer Letter**

Overseas Shareholders may, nonetheless, obtain copies of this Exit Offer Letter, the relevant Acceptance Form and any related documents, during normal business hours, from the date of this Exit Offer Letter and up to 5.30 p.m. on the Closing Date, from the office of the Company’s share registrar, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544 (if they hold Offer Shares that are represented by share certificates and are not deposited with CDP) or The Central Depository (Pte) Limited at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588 (if they are Depositors), upon production of satisfactory evidence that they are Shareholders. Alternatively, an Overseas Shareholder may write in to B.A.C.S. Private Limited or The Central Depository (Pte) Limited, as the case may be, at the address listed above to request for this Exit Offer Letter, the relevant Acceptance Form and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder’s own risk (the last day for despatch in respect of such request shall be a date falling five (5) market days prior to the Closing Date).

### **14.3 Overseas Jurisdiction**

It is the responsibility of any Overseas Shareholder who wishes to accept the Exit Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction.

Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf may be required to pay.

In accepting the Exit Offer, each Overseas Shareholder represents and warrants to the Offeror that he is in full compliance with all necessary formalities or legal requirements.

**ANY OVERSEAS SHAREHOLDER WHO IS IN ANY DOUBT ABOUT HIS POSITION SHOULD CONSULT HIS PROFESSIONAL ADVISOR IN THE RELEVANT JURISDICTION.**

### **14.4 Notice**

The Offeror reserves the right to (a) reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction; and (b) notify any matter, including the fact that the Exit Offer has been made, to any or all Overseas Shareholders by announcement on the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)) and if necessary, paid advertisement in a daily 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 or advertisement.

## **15. GENERAL**

### **15.1 Valid Acceptances**

The Offeror reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of it at any place or places determined by the Offeror otherwise than as stated herein or in the FAA or the FAT, as the case may be, or if made otherwise than in accordance with the provisions herein and instructions printed on the FAA and the FAT, as the case may be.

### **15.2 Governing Law and Jurisdiction**

The Exit Offer, this Exit Offer Letter, the FAA, the FAT, and all acceptances of the Exit Offer and all contracts made pursuant thereto and all action taken or made or deemed to be taken in connection with any of the foregoing shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Offeror and each accepting Shareholder agrees to submit to the non-exclusive jurisdiction of the Singapore courts.

### **15.3 No Third Party Rights**

Unless expressly provided to the contrary in this Exit Offer Letter, the FAA and the FAT, a person who is not a party to any contracts made pursuant to the Exit Offer, this Exit Offer Letter, the FAA and/or the FAT has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

#### **15.4 Accidental Omission**

Accidental omission to despatch this Exit Offer Letter, the Delisting Circular, the FAA and the FAT, or any notice, advertisement or announcement required to be given under the terms of the Exit Offer or any failure to receive the same by any person to whom the Exit Offer is made or should be made, shall not invalidate the Exit Offer in any way.

#### **15.5 Independent Advice**

The views of the Independent Directors and the IFA on the Exit Offer are available in the Delisting Circular. Shareholders may wish to consider their advice before taking any action in relation to the Exit Offer.

#### **15.6 Costs and Expenses**

All costs and expenses of or incidental to the preparation and circulation of this Exit Offer Letter (other than professional fees and other costs incurred or to be incurred by the Company relating to the Exit Offer) and stamp duty and transfer fees resulting from acceptances of the Exit Offer will be paid by the Offeror.

### **16. RESPONSIBILITY STATEMENT**

The director of the Offeror has taken all reasonable care to ensure that the facts stated and opinions expressed in this Exit Offer Letter are fair and accurate and that no material facts have been omitted from this Exit Offer Letter, the omission of which would make any statement in this Exit Offer Letter misleading in any material respect. The director of the Offeror accepts responsibility accordingly. Where any information in this Exit Offer Letter has been extracted from published or publicly available sources, the sole responsibility of the director of the Offeror have been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Exit Offer Letter.

If you are in doubt as to any of the matters referred to in this Exit Offer Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Yours faithfully,  
**Deloitte & Touche Corporate Finance Pte Ltd**

For and on behalf of  
**Advance Technology Holding Ltd**

## APPENDIX I

### PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER

#### 1. DEPOSITORS

##### 1.1 Acceptance

If you wish to accept the Exit Offer, the FAA must be completed and signed strictly in the manner set out on page 1 of the FAA and in accordance with the provisions of this Exit Offer Letter and be delivered:

- (a) by hand to **ADVANCE TECHNOLOGY HOLDING LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
- (b) by post, in the enclosed pre-addressed envelope at your own risk, to **ADVANCE TECHNOLOGY HOLDING LTD c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934**,

so as in either case to arrive **NOT LATER THAN 5.30 P.M. ON THE CLOSING DATE.**

##### 1.2 Acceptance by Depositors whose Securities Accounts are credited with Offer Shares

Please insert in **Part A** on page 1 of the FAA the number of Offer Shares already standing to the credit of the "Free Balance" of your Securities Account in respect of which the Exit Offer is accepted. If

- (a) no number of Offer Shares is inserted in Part A; or
- (b) the number of Offer Shares inserted exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account as at 5.00 p.m. on the date of receipt of the FAA by CDP (the "**Date of Receipt**") or, in the case where the Date of Receipt is on the Closing Date, as at 5.30 p.m. on the Closing Date, provided always that the Date of Receipt must fall on or before the Closing Date,

then you are deemed to have accepted the Exit Offer in respect of all the Offer Shares already standing to the credit of the "Free Balance" of your Securities Account as at 5.00 p.m. on the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, as at 5.30 p.m. on the Closing Date.

##### 1.3 Acceptance by Depositors whose Securities Accounts will be credited with Offer Shares

If you have purchased Offer Shares on the SGX-ST, you should also receive this Exit Offer Letter together with a FAA. You may accept the Exit Offer in respect of such number of Offer Shares only after the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions and instructions set out in paragraph 1.2 above shall apply in the same way to your acceptance(s) in respect of such Offer Shares.

If you do not receive the FAA, you may obtain the FAA, upon production of satisfactory evidence that you have purchased the Offer Shares on the SGX-ST, from The Central Depository (Pte) Limited at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588.

If upon receipt by CDP, as at 5.00 p.m. on the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, as at 5.30 p.m. on the Closing Date, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been credited to the "Free Balance" of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance will be rejected and neither CDP nor the Offeror accepts any responsibility or liability for the consequences of such a rejection.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares will be rejected if the “Free Balance” of your Securities Account is not credited with such Offer Shares as at 5.00 p.m. on the Date of Receipt of the FAA or, in the case where the Date of Receipt of the FAA is on the Closing Date, as at 5.30 p.m. on the Closing Date. Neither CDP nor the Offeror accepts any responsibility or liability for the consequences of such a rejection.

#### **1.4 Depositors whose Securities Account are and will be credited with Offer Shares**

If you have Offer Shares credited to your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the Exit Offer in respect of the Offer Shares standing to the credit of the “Free Balance” of your Securities Account and may accept the Exit Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only after the “Free Balance” of your Securities Account has been credited with such number of additional Offer Shares. If such number of additional Offer Shares purchased is not credited to the “Free Balance” of your Securities Account as at 5.00 p.m. on the Date of Receipt of the FAA or, in the case where the Date of Receipt of the FAA is on the Closing Date, as at 5.30 p.m. on the Closing Date, your acceptance in respect of such additional Offer Shares will be rejected. Neither CDP nor the Offeror accepts any responsibility or liability for the consequences of such a rejection.

#### **1.5 Suspense Account**

Upon receipt, on behalf of the offeror, of the duly completed and signed FAA, CDP will transfer the Offer Shares in respect of which you have accepted the Exit Offer from the “Free Balance” of your Securities Account to a “Suspense Account”. Such Offer Shares will be held in the “Suspense Account” until the consideration for such Offer Shares has been despatched to you.

#### **1.6 Acknowledgement**

No acknowledgement will be given for any submission of a FAA. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You may verify such number through (i) CDP Online if you have registered for CDP Internet Access Service or (ii) CDP Phone Service if you have a T-Pin. Alternatively, you may proceed to CDP in person with your identity card or passport to verify the number of Offer Shares credited to your Securities Account.

#### **1.7 No Securities Account**

If you do not have any existing Securities Account in your own name at the time of acceptance of the Exit Offer, your acceptance as contained in the FAA will be rejected.

#### **1.8 FAAs received on Saturday, Sunday and public holidays**

For the avoidance of doubt, FAAs which are received on a Saturday, Sunday or public holiday in Singapore will only be processed on the next business day.

## **2. SCRIP HOLDERS**

### **2.1 Shareholders whose Offer Shares are not deposited with CDP**

If you wish to accept the Exit Offer, you should:

- (a) complete the FAT strictly in accordance with this Exit Offer Letter and the instructions printed on the FAT. If you:
  - (i) do not specify a number in **Part A** of the FAT; or
  - (ii) specify a number which exceeds the number of Offer Shares represented by the attached share certificate(s),



you shall be deemed to have accepted the Exit Offer in respect of the total number of Offer Shares represented by the share certificate(s) accompanying the FAT;

- (b) sign the FAT in accordance with this Exit Offer Letter and the instructions printed on the FAT; and
- (c) deliver:
  - (i) the completed and signed FAT;
  - (ii) the share certificate(s) and/or, other document(s) of title and/or other relevant document(s) required by the Offeror relating to the Offer Shares in respect of which you wish to accept the Exit Offer. If you are recorded in the Register of Members of the Company as holding Offer Shares but do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to procure the Company to issue such share certificate(s) in accordance with the constitution of the Company and then deliver such share certificate(s) in accordance with the procedures set out in this Exit Offer Letter. If your share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror is/are not readily available or is/are lost, this FAT should nevertheless be completed and returned by the time specified below and the share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, should be forwarded to Advance Technology Holding Ltd c/o B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, as soon as possible thereafter; and
  - (iii) where such Offer Shares are not registered in your name, you may send in, at your own risk, the relevant share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, accompanied by transfer form(s), duly executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it), (I) **by hand**; or (II) **by post** (in the enclosed pre-addressed envelope at your own risk), to Advance Technology Holding Ltd c/o B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544 so as in either case to arrive **NOT LATER THAN 5.30 P.M. ON THE CLOSING DATE.**

The FAT must be sent in its entirety to Advance Technology Holding Ltd c/o B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544 duly completed in accordance with the instructions in the FAT and no part may be detached or mutilated. Settlement of the consideration under the Exit Offer will be subject to, amongst other things, the receipt of all relevant documents, properly completed.

## 2.2 No Acknowledgements

No acknowledgement of receipt of any FAT, share certificate, other document of title, transfer form and/or any other document required by the Offeror will be given.

## 3. GENERAL

### 3.1 Disclaimer and Discretion

The Offeror and CDP will be entitled to reject any acceptance which does not comply with this Exit Offer Letter and the relevant Acceptance Form or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title and/or any other relevant document(s) required by the Offeror, or which is otherwise incomplete, unsigned, incorrect or invalid in any respect.

If you wish to accept the Exit Offer, it is your responsibility to ensure that the FAA and/or the FAT, as the case may be, is properly and duly completed in all respects, signed and all required documents are provided.

Any decision to reject any acceptance will be final and binding and none of the Offeror, CDP or B.A.C.S. Private Limited accepts any responsibility or liability for the consequences of such a decision.

The Offeror reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of it at any place or places determined by the Offeror otherwise than as stated in this Exit Offer Letter, the FAA or the FAT, or if made otherwise than in accordance with the provisions of this Exit Offer Letter, the FAA or the FAT.

### **3.2 Scrip and Scripless Offer Shares**

If you hold some Offer Shares in scrip form and others with CDP, you should complete a FAT for the former and a FAA for the latter in accordance with the respective procedures set out in Appendix I to this Exit Offer Letter if you wish to accept the Exit Offer in respect of such Offer Shares.

### **3.3 Deposit Time**

If you hold Offer Shares in scrip form, the Offer Shares may not be credited into the “Free Balance” of your Securities Account with CDP in time for you to accept the Exit Offer if you were to deposit your share certificate(s) with CDP after the date of despatch of this Exit Offer Letter. If you wish to accept the Exit Offer in respect of such Offer Shares, you should complete a FAT and follow the procedures set out in paragraph 2.1 of Appendix I to this Exit Offer Letter.

### **3.4 Correspondence**

All communications, certificates, notices, documents and remittances to be delivered or sent to you (or your designated agent or, in the case of joint accepting shareholders who have not designated any agent, to the one first named in the Register of Members of the Company) will be sent by ordinary post to your respective address as they appear in the records of CDP or the Register of Members of the Company, as the case may be, at the risk of the person entitled thereto (or in the case of remittances only in respect of holders of Offer Shares in scrip form, to such different name and addresses as may be specified by you in the FAT, at your sole risk).

## **4. SETTLEMENT**

Subject to the Delisting Resolution being passed at the EGM and the receipt by the Offeror of valid acceptances, complete in all respects, signed and in accordance with the instructions given herein, in this Exit Offer Letter and the relevant FAA and/or FAT (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the “Free Balance” of the depositor’s Securities Account at the relevant time(s), remittances in the form of cheques in Singapore currency drawn on a bank operating in Singapore for the appropriate amounts will be despatched to the accepting Shareholder (or, in the case of a Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent, if any) at his address as maintained in the records of CDP or the Register of Members of the Company by ordinary post and at the risk of the accepting Shareholder or in such other manner as he may have agreed with CDP for the payment of any cash distributions, as soon as practicable but in any event:

- (a) in respect of acceptances of the Exit Offer which are valid and complete in all respects and are received on or before the date on which the Delisting Resolution is passed at the EGM, within 10 days of the date of EGM; or
- (b) in respect of acceptances which are valid and complete in all respects and are received after the Delisting Resolution is passed at the EGM, but on or before the Exit Offer closes, within 10 days of the date of such receipt.

**Acceptances in the form of FAA and/or FAT received by the Offeror and/or CDP on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next business day.**

In the case of a depositor, CDP will also send a notification letter by ordinary post to the accepting Shareholders at their respective addresses as they appear in the records of CDP, at their own risk, stating the number of Offer Shares which have been debited against their respective Securities Accounts.

## **5. INFORMATION PERTAINING TO CPFIS INVESTORS**

### **5.1 No Action. There is no need for CPFIS Investors to take any action at this time.**

CPFIS Investors who do not receive any documents from their CPF Agent Banks within 10 days after the Exit Offer is made should contact their CPF Agent Banks.

CPFIS Investors who accept the Exit Offer will receive the cash consideration in their CPF investment accounts. CPFIS Investors who reject the Exit Offer can continue to hold the unquoted Shares in their CPF investment accounts.

However, CPFIS Investors will not be allowed to use funds from their CPF accounts for further purchases of unquoted Shares because under the Central Provident Fund (Investment Schemes) Regulations, CPF funds may only be invested in the shares of companies incorporated in Singapore that are listed on the SGX-ST and which are traded in Singapore dollars. In addition, the shares of such companies must be included under the CPFIS.

### **5.2 Implications**

The implications of holding unquoted Shares are set out in Section 8 of this Exit Offer Letter. In addition, the following will be applicable if the Company is delisted from the Official List of the SGX-ST:

#### **5.2.1 Safe-keeping of share certificates**

Shares that are quoted on the SGX-ST and held by CPFIS Investors are deposited with CDP through their respective CPF Agent Banks. However, unquoted shares cannot be deposited with CDP. If the Company is delisted from the Official List of the SGX-ST, the share registrar will arrange to forward the individual share certificates, representing the Shares held by individual CPFIS Investors who do not accept the Exit Offer, to their respective CPF Agent Banks for safe-keeping.

CPF Agent Banks may levy a service fee to administer each share counter held on behalf of each CPFIS Investor. In addition to the existing fees, CPF Agent Banks may impose, *inter alia*, additional charges for the safe-keeping of share certificates and administrative charges for the splitting, withdrawal or depositing of such share certificates. CPFIS Investors who do not accept the Exit Offer should consult their respective CPF Agent Banks on the additional charges that may be imposed.

#### **5.2.2 Buying and selling of Shares represented by share certificates**

If the Company is delisted from the Official List of the SGX-ST, CPFIS Investors who do not accept the Exit Offer will likely find it difficult to sell their Shares in the absence of a public market.

CPFIS Investors will be able to sell their unquoted Shares, assuming that they are able to find a buyer for these Shares. Shareholders should note that any transfer or sale of Shares represented by share certificates will be subject to a stamp duty of S\$0.20 for every S\$100.00 or part thereof of the consideration or the NTA of the Shares transferred based on the latest audited accounts, whichever is higher.

## **6. NO RIGHT OF WITHDRAWAL**

**All acceptances of the Exit Offer shall be irrevocable.**