

旺詮股份有限公司

RALEC

Quality, Service, Innovation

RALEC ELECTRONIC CORPORATION

(Company Registration No.: 22101050)

(Incorporated in Taiwan, R.O.C.)

17 July 2014

To: The shareholders of ASJ Holdings Limited

Dear Sir/Madam

COMPULSORY ACQUISITION OF SHARES IN ASJ HOLDINGS LIMITED PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE ("COMPANIES ACT") BY RALEC ELECTRONIC CORPORATION AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1 This Letter is sent to you in connection with the compulsory acquisition of your shares in ASJ Holdings Limited (the "**Offeree**") by Ralec Electronic Corporation (the "**Offeror**"). As the compulsory acquisition is being carried out in accordance with Section 215(1) of the Companies Act, **no action** on your part is required to be taken to effect the transfer of your shares in the Offeree ("**Shares**") to the Offeror and to receive the payment for your Shares.
- 1.2 **Offer.** We refer to the offer document dated 26 May 2014 ("**Offer Document**") in relation to the voluntary conditional cash offer ("**Offer**") by PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**"), for and on our behalf, for all of the issued and paid-up ordinary shares in the capital of the Offeree (excluding those held by the Offeree as treasury shares and those held directly or indirectly by the Offeror as at the date of the Offer).

All terms and references used in this Letter which are defined or construed in the Offer Document but are not defined or construed in this Letter shall have the same meaning and construction as defined in the Offer Document.

This Letter is addressed to Shareholders who have not accepted the Offer. If you have already (i) accepted the Offer in respect of all your Shares by completing and returning a valid acceptance form or (ii) sold all your Shares on the SGX-ST prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (as defined below).

- 1.3 **Holdings of Shares.** As at 5.30 p.m. on 7 July 2014, the Offeror has received valid acceptances pursuant to the Offer and acquired Shares (otherwise than through valid acceptances of the Offer) in respect of an aggregate of 255,714,974 Shares (other than those already held by us, our related corporations and their respective nominees as at the date of the Offer Document), representing approximately 93.91% of the total number of Shares¹, which when taken together with the Shares held by us as at the date of the Offer Document, comprise an aggregate of 258,914,974 Shares, representing approximately 95.09% of the total number of issued Shares.

¹ All references in this Letter to the total number of Shares shall be to 272,286,146 Shares in issue as at 19 May 2014 as reflected in the electronic instant information search results from the Accounting and Corporate Regulatory Authority in respect of the Offeree on 19 May 2014.

- 1.4 **Compulsory Acquisition.** As the Offeror has received valid acceptances and/or acquired Shares in respect of not less than 90% of the total number of Shares (other than those already held by us, our related corporations and their respective nominees as at the date of the Offer Document), the Offeror is entitled to and is exercising the right of compulsory acquisition under Section 215(1) of the Companies Act, to compulsorily acquire, at the Offer Price of S\$0.065 per Share and on the same terms as those offered under the Offer, all the Shares in respect of which valid acceptances have not been received by the Offeror or which the Offeror has not acquired as at the date of this Letter.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

- 2.1 **Form 57.** According to the records maintained by CDP and/or the Receiving Agent, as the case may be, you have not accepted the Offer as at 7 July 2014. Accordingly, we are writing to inform you that the Offeror is exercising its right under Section 215(1) of the Companies Act to acquire all the Shares held by you at a cash consideration of S\$0.065 per Share ("**Consideration**") and on the same terms as those offered under the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act ("**Form 57**").
- 2.2 **Compulsory Acquisition.** Pursuant to the Offeror's right of compulsory acquisition under Section 215(1) of the Companies Act, the Offeror will acquire all the Shares held by you on or after 16 August 2014, being the date after the expiration of one (1) month from the date of Form 57, subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act ("**Transfer Date**").
- 2.3 **Registration of Transfer.** Upon the payment of the Consideration to the Offeree by the Offeror, the Offeree will cause all the Shares held by you to be transferred to the Offeror and register the Offeror as the holder of all those Shares as soon as practicable thereafter. The Consideration will be held by the Offeree on trust for you in a separate bank account to be established by the Offeree.
- 2.4 **Settlement.** Subject to and in accordance with the provisions of Sections 215(1) and 215(4) of the Companies Act and the terms set out in Form 57, as soon as practicable after the Transfer Date, remittance in the form of a cheque for the appropriate amount payable in respect of your Shares will be despatched to you by ordinary post, at your own risk, to the address as it appears in the records of CDP and/or the Receiving Agent or in such other manner as you may have agreed with CDP for the payment of any cash distributions.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

- 3.1 **Form 58.** Under Section 215(3) of the Companies Act, you have the right to require the Offeror to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act ("**Form 58**") is enclosed with this Letter. You may, within three (3) months from the date of Form 58 (that is, by 16 October 2014), require the Offeror to acquire your Shares and the Offeror shall be entitled and bound to acquire your Shares at the Consideration and on the same terms as those offered under the Offer (or on such other terms as are agreed or as the court thinks fit to order on the application of either the Offeror or the Non-Assenting Shareholder).
- 3.2 **No Action Required.** As the Offeror will be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to Form 58. Nevertheless, Shareholders who wish to exercise their right under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

4. GENERAL

If you are in any doubt about the contents of this Letter and/or your rights and obligations under Section 215 of the Companies Act, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

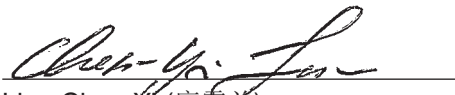
5. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of this Letter) collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm having made all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Offer, the Offeror and its subsidiaries, and the directors of the Offeror are not aware of any facts, the omission of which would make any statement in this Letter misleading. Where any information has been extracted from published or publicly available sources (including, without limitation, in relation to the Offeree and its subsidiaries), the sole responsibility of the directors of the Offeror has been to ensure that such information is accurately extracted from such sources and/or reproduced in this Letter in its proper form and context.

Yours faithfully

For and on behalf of

RALEC ELECTRONIC CORPORATION

A handwritten signature in black ink, appearing to read 'Liao Chen-Yi', is written over a horizontal line.

Liao Chen-Yi (廖震益)
Chairman

Encs.