

SPINDEX INDUSTRIES LIMITED
(Registration No.: 198701451M)

**PROPOSED ACQUISITION BY HONG WEI HOLDINGS LTD OF ALL THE ISSUED AND
PAID-UP ORDINARY SHARES IN THE CAPITAL OF SPINDEX INDUSTRIES LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT**

UPDATE ANNOUNCEMENT

1. Introduction

The board of directors (the “**Board**”) of Spindex Industries Limited (the “**Company**”) refer to the announcement jointly released by Hong Wei Holdings Ltd (the “**Offeror**”) and Company on 9 February 2017 (“**Joint Announcement**”) in relation to the proposed acquisition (the “**Acquisition**”) by the Offeror of all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”) by way of a scheme of arrangement (the “**Scheme**”) in accordance with Section 210 of the Companies Act (Chapter 50 of Singapore) and the Singapore Code on Take-overs and Mergers.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Joint Announcement, unless otherwise expressly stated or the context otherwise requires.

2. Update

As a follow-up to the Joint Announcement, the Board wishes to update and inform shareholders that the Offeror had informed the Company that it had applied to the SIC, and that the SIC has consented to the termination of the Scheme by the Offeror and the Company and the implementation of the Acquisition by way of a mandatory general offer instead. In line with the foregoing, the Company and the Offeror have mutually terminated the Implementation Agreement and the Scheme.

As a further update, the Independent Directors had on 23 February 2017 received an unsolicited letter from a third party (“**Letter**”) in connection with, *inter alia*, a request to conduct due diligence on the Company. The Letter did not contain any offer or indicative terms. The Independent Directors had on 1 March 2017 responded to the third party to inform that the Independent Directors were not at that point in the position to consent to the request for access to conduct due diligence on the Company. Subsequently, the Independent Directors had on 2 March 2017 received a further letter from the same third party, requesting for access to Company’s information on the basis of Rule 9.2 of the Code. The Independent Directors have responded to the third party to request it to specify the questions to which it requires Company information. Shareholders should note that there is no certainty or assurance whatsoever that any transaction will materialise from such discussions.

The Company will make an appropriate announcement in the event that there are any material developments in compliance with the Listing Manual of the SGX-ST, and further announcements on the progress of the discussion will be issued by the Company on a monthly basis in compliance with the Code.

Shareholders are advised to exercise caution when dealing in their Shares and to refrain from taking any action in relation to their Shares which may be prejudicial to their interests.

Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

3. Directors' Responsibility Statement

The directors of the Company (including any who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this announcement, and the directors of the Company jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Chew Heng Ching
Lead Independent Director
3 March 2017