

For immediate release



HONG WEI HOLDINGS LTD PROPOSES TO PRIVATISE SPINDEX INDUSTRIES LIMITED

This press release should be read in conjunction with the full text of the Scheme Announcement dated 9 February 2017, a copy of which is available on www.sgx.com. All capitalised terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the Scheme Announcement.

- The Scheme provides an opportunity for Shareholders, who may find it difficult to exit their investment in Spindex due to the low historical trading liquidity, to realise their entire investment in cash at an attractive premium without incurring brokerage fees
- Cash Consideration of **S\$0.850 per Share** represents an attractive premium over the following benchmarks up to and including 8 February 2017¹:
 - 21.4% over the last transacted price of S\$0.700 per Share; and
 - 23.4% over the 3-month VWAP of S\$0.689 per Share
- The Offeror does **not** intend to increase the Cash Consideration and accordingly, this represents the **final price** for each Share
- Upon the Scheme becoming effective, Spindex will become a wholly-owned subsidiary of Hong Wei Holdings Ltd

Singapore, 9 February 2017 – Singapore-listed Spindex Industries Limited (“Spindex” or the “Company”) today announced that it has entered into an Implementation Agreement with Hong Wei Holdings Ltd (the “Offeror”) for the proposed privatisation and delisting of Spindex from the SGX-ST.

The Offeror is owned by Mr Tan Choo Pie @ Tan Chang Chai, Chairman of Spindex; his wife, Mrs Tan Choo Pie @ Tan Chang Chai; and their son, Mr Tan Heok Ting, Managing Director of Spindex (the “Tan Family”). Mr Tan Choo Pie @ Tan Chang Chai and Mr Tan Heok Ting (the “Tan Shareholders”) hold an aggregate stake of 25.5%² in Spindex as of 9 February 2017.

The privatisation will be effected by way of a Scheme of Arrangement (“Scheme”), pursuant to which the Offeror, a special purpose vehicle incorporated for the purpose of the acquisition, is seeking to acquire all shares of Spindex (“Shares”). Shareholders (other than the Tan Shareholders) will receive S\$0.850 in cash for each Share (“Cash Consideration”).

The Offeror does **not** intend to increase the Cash Consideration of S\$0.850 per Share and accordingly, this represents the final price as in accordance with Rule 20.2 of the Code, the Offeror will not be allowed to subsequently amend the terms of the Scheme, including the Cash Consideration.

¹ Being the last full trading day immediately prior to the Joint Announcement Date.

² Rounded to the nearest one decimal place.

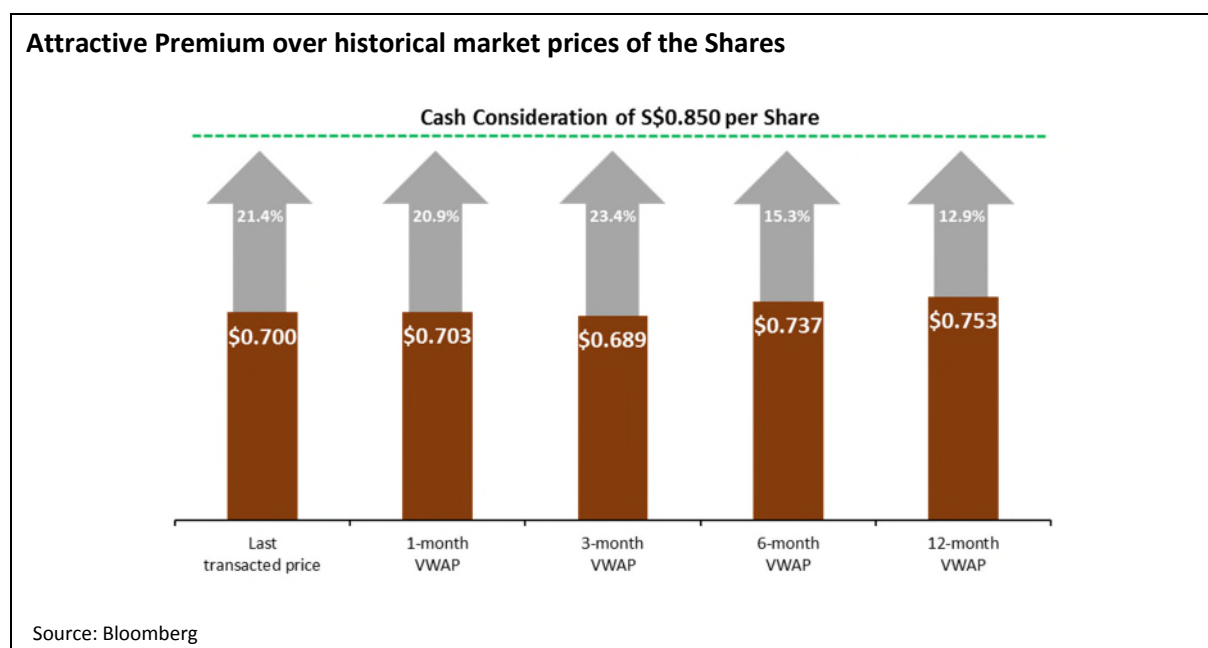
Transaction Rationale

Offeror's Intention to Delist and Privatisise the Company

The Offeror believes that the privatisation of the Company would provide the Offeror and the management of the Company greater flexibility to manage the business of the Company for a longer horizon. The Offeror notes that the Company has not carried out any equity fund raising on the SGX-ST since its listing and currently has no intention to do so. Accordingly, the Offeror believes that the Company's listing status is of limited utility to the Company.

Cash Consideration represents an Attractive Premium to Historical Market Prices

The Scheme represents an exit opportunity for Shareholders to realise their entire investment in cash at an attractive premium over the market prices of the Shares without incurring brokerage fees.



“The privatisation of the Company would provide the Offeror and the management of the Company greater flexibility to manage the business of the Company without incurring expenses relating to the maintenance of a listed status. We believe that the Cash Consideration to Shareholders is compelling as it represents a clean cash exit opportunity at an attractive premium,” said Mr Tan Choo Pie @ Tan Chang Chai, Chairman of Spindex and Director of the Offeror.

Scheme Conditions

The Scheme will require, amongst others, the following approvals:

- **Share-count Condition:** Approval of at least 75% in value of the Shares held by Shareholders present and voting in person or by proxy at the meeting of the Shareholders to be convened to approve the Scheme ("Scheme Meeting");
- **Head-count Condition:** Approval of more than 50% of the number of Shareholders present and voting in person or by proxy at the Scheme Meeting; and
- **Court approval.**

The Tan Shareholders and their concert parties will abstain from voting at the Scheme Meeting.

Scheme Document

The Directors of Spindex who are considered independent for the purposes of the Scheme (the "Independent Directors") will be appointing an independent financial adviser ("IFA") to advise them for the purposes of making a recommendation to the Shareholders in connection with the Scheme. Full details of the Scheme, including the recommendation of the Independent Directors and the advice of the IFA, will be included in a Scheme document to be sent to the Shareholders in due course.

DBS Bank Ltd. is financial adviser to the Offeror in connection with the acquisition and the Scheme.

Any queries relating to this press release, the acquisition or the Scheme should be directed during normal business hours to:

**DBS Bank Ltd.
Strategic Advisory
Telephone: +65 6878 2150**

Responsibility Statements

Company. The directors of the Company (including any who may have delegated detailed supervision of the preparation of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release (excluding information relating to the Offeror and the Tan Family or any opinion expressed by the Offeror) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this press release, 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 or obtained from the Offeror, 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 press release. The directors of the Company do not accept any responsibility for any information relating to the Offeror and/or the Tan Family or any opinion expressed by the Offeror.

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

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Forward-looking Statements

All statements other than statements of historical facts included in this press release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast", "target" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's or the Company's (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Company guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

About Spindex

Spindex Industries Limited was incorporated in Singapore on 26 May 1987. The Company was listed on the Stock Exchange of Singapore Dealing and Automated Quotation in October 1998 and upgraded to the Main Board of the Singapore Exchange Securities Trading Limited in April 2001. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the business of being an integrated solution provider of precision machined components and assemblies with manufacturing locations in Malaysia, China and Vietnam. The Group serves diverse market sectors consisting of multinational corporations in imaging and printing, machinery automotive systems and consumer-related products.

About the Offeror

The Offeror is an investment holding company incorporated in the British Virgin Islands on 19 December 2016. The Offeror has not carried on any business since its incorporation, except to enter into certain arrangements in connection with the acquisition and the Scheme.