

CHOSEN HOLDINGS LIMITED
Company Registration No.: 199804325C
(Incorporated in Singapore)

VOLUNTARY CONDITIONAL CASH OFFER BY SOUTHSORE PTE. LTD. FOR
CHOSEN HOLDINGS LIMITED

1. **INTRODUCTION**

The Board of Directors (“**Board**”) of Chosen Holdings Limited (“**Company**”) wishes to inform the shareholders of the Company (“**Shareholders**”) that on 1 September 2015 (“**Offer Announcement Date**”) Southshore Pte. Ltd. (the “**Offeror**”) has announced (“**Offer Announcement**”) that the Offeror intends to make a voluntary conditional cash offer (“**Offer**”) for all the issued and paid-up ordinary shares (excluding treasury shares) in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror (“**Offer Shares**”).

A copy of the Offer Announcement is attached to this Announcement. Shareholders are advised to refer to the full text of the Offer Announcement for, *inter alia*, the principal terms of the Offer.

2. **OFFER DOCUMENT**

According to the Offer Announcement, the formal offer document setting out the full terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer (“**Offer Document**”) will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Offer Announcement Date.

3. **INDEPENDENT FINANCIAL ADVISER**

In connection with the Offer, the Board will be appointing an independent financial adviser (“**IFA**”) to advise the directors of the Company who are regarded as independent for the purposes of the Offer under the Singapore Code on Take-overs and Mergers (“**Independent Directors**”). A circular containing the advice of the IFA and the recommendation of the Independent Directors will be sent to Shareholders within 14 days from the date of the despatch of the Offer Document to be issued by or on behalf of the Offeror.

In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests and to exercise

caution when dealing in the Shares, until they or their advisers have considered the information and the recommendations of the Independent Directors as well as the advice of the IFA which will be set out in the circular to be issued by the Company in due course.

4. **RESPONSIBILITY STATEMENT**

The directors of the Company (including those who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement), the sole responsibility of the directors of the Company has 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 Announcement.

By Order of the Board

Soong Wee Choo/Liew Meng Ling
Joint Company Secretaries
Chosen Holdings Limited
2 September 2015

Voluntary Conditional Cash Offer

by

SOUTHSHORE PTE. LTD.

(Company Registration No.: 201530037K)
(Incorporated in the Republic of Singapore)

**to acquire all the issued and paid-up ordinary shares (excluding treasury shares)
in the capital of**

CHOSEN HOLDINGS LIMITED

(Company Registration No.: 199804325C)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by
the Offeror

1. INTRODUCTION

The Offer. Southshore Pte. Ltd. ("**Offeror**"), a company owned by Shaw Kwei & Partners Ltd., wishes to announce that the Offeror intends to make a voluntary conditional cash offer ("**Offer**") to acquire all the issued and paid-up ordinary shares ("**Shares**") in the capital of Chosen Holdings Limited ("**Company**") (excluding any Shares held by the Company as treasury shares), other than those already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**").

Further information on the Offeror and its related companies is set out in **paragraph 5** below.

2. OFFER

2.1 General. The Offer will be made for the Offer Shares in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 15 of The Singapore Code on Take-overs and Mergers ("**Code**"), and subject to the terms and conditions set out in the formal document in relation to the Offer to be issued by the Offeror ("**Offer Document**").

2.2 Offer Terms. The Offer, when made, will be on the following basis:

- (i) Offer Price : S\$0.24 in cash for each Offer Share ("**Offer Price**").
- (ii) Offer Shares : The Offer will be made for all Shares, other than those already owned, controlled or agreed to be acquired by the Offeror.

For the avoidance of doubt, the Offer will be extended, on the same terms and conditions, to all Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer.

- (iii) No Encumbrances : The Offer Shares will be acquired:
- (a) fully-paid;
 - (b) free from all claims, liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights or interests of any nature whatsoever; and
 - (c) together with all rights, benefits, entitlements and advantages attached to them as at the date of this Announcement ("**Offer Announcement Date**") and hereafter attaching to them (including the right to receive and retain all dividends, rights, returns of capital and other distributions (if any) which may be announced, declared, made or paid thereon by the Company on or after the Offer Announcement Date).
- (iv) Condition : The Offer, when made, will be conditional upon the Offeror having received, by the closing date of the Offer ("**Closing Date**"), valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued Shares in the capital of the Company (excluding any Shares held in treasury) as at the Closing Date (including any voting rights attributable to the Shares issued or to be issued pursuant to the vesting of any Share Awards (as defined below) prior to the Closing Date) ("**Acceptances Threshold**").

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the Closing Date, unless at any time prior to the Closing Date, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the maximum potential issued Shares in the capital of the Company.

For this purpose, the “**maximum potential issued Shares in the capital of the Company**” means the total number of Shares which would be in issue had all outstanding convertible securities been exercised or Share Awards (as defined below) become vested as at the date of such declaration, excluding any Shares held in treasury.

The Offer will be unconditional in all other respects.

As stated in paragraph 3.2 below, the aggregate number of Committed Shares (as defined below) held by the Undertaking Shareholders (as defined below) amount to 143,658,044 Shares, representing approximately 50.99% of the Shares in issue (excluding treasury shares) as at the Offer Announcement Date. Upon receipt of valid acceptances from the Undertaking Shareholders pursuant to the Irrevocable Undertakings (as defined below), the Acceptances Threshold will be fulfilled and the Offer will be declared unconditional in all respects.

- 2.3 Options and Share Awards.** Based on information available to the Offeror as at 31 August 2015, there are (a) no outstanding convertible securities validly issued by the Company; and (b) outstanding performance share awards (each, a “**Share Award**”) granted under the Chosen Holdings Limited Performance Share Award Scheme 2010 (“**Performance Share Award Scheme**”) that have not yet vested.

Under the rules of the Performance Share Award Scheme, the Share Awards are not transferable unless the prior approval of the committee administering the Performance Share Award Scheme is obtained. In view of this restriction, the Offeror will not make an offer to acquire the Share Awards.

For the avoidance of doubt, the Offer will, when made, be extended on the same terms and conditions to all new Shares issued or to be issued pursuant to the valid exercise of any outstanding convertible securities or the vesting of any such Share Awards on or prior to the Closing Date.

For the purpose of the Offer, the expression “**Offer Shares**” shall include the Shares issued or to be issued pursuant to the valid exercise of any such outstanding convertible securities or the vesting of any such Share Awards on or prior to the Closing Date.

3. IRREVOCABLE UNDERTAKINGS

- 3.1 As at the Offer Announcement Date, the Offeror has received irrevocable undertakings (each, an "Irrevocable Undertaking" and collectively, the "Irrevocable Undertakings") from certain shareholders of the Company ("Undertaking Shareholders") to accept the Offer in respect of all the Shares legally and/or beneficially owned by each Undertaking Shareholder respectively ("Committed Shares").

Name of Undertaking Shareholder	Number of Committed Shares	Percentage of Shares as at Offer Announcement Date ⁽¹⁾
Aloysius Lim Cher Kia ⁽²⁾⁽³⁾⁽⁴⁾	118,110,626	41.92%
Soong Wee Choo	1,635,861	0.58%
Chow Kok Hwee	6,605,261	2.34%
Wang Chew Hoon	12,217,000	4.34%
Ang Lay Chuan	5,089,296	1.81%
Total	143,658,044	50.99%

Notes:

- (1) Based on 281,721,327 Shares (excluding treasury shares) as at 1 September 2015 as reflected in the electronic instant information search results from the Accounting and Corporate Regulatory Authority ("ACRA") in respect of the Company as at 1 September 2015. The figures are rounded to the nearest two decimal places.
- (2) As at the Offer Announcement Date, Aloysius Lim Cher Kia has a direct interest in 26,498,882 Shares. His indirect interest comprises 91,611,744 Shares held by ALBE Holdings Pte Ltd ("ALBE"), a company in which he is a director and in which he holds 51% of the total issued ordinary shares and 100% of the preference shares in the capital of ALBE. Aloysius Lim Cher Kia is therefore deemed interested in the Shares held by ALBE, by virtue of section 7 of the Companies Act (Cap. 50). Aloysius Lim Cher Kia and ALBE are also persons acting in concert with each other under the Code.
- (3) Pursuant to the Irrevocable Undertaking given by Aloysius Lim Cher Kia, he has undertaken to accept or procure the acceptance of the Offer in respect of (a) the Shares held directly by him; and (b) the Shares held directly by ALBE. Please refer to **paragraphs 3.3 and 3.4** below for further details.

- 3.2 Pursuant to the Irrevocable Undertakings, the aggregate number of Committed Shares held by the Undertaking Shareholders amounts to 143,658,044 Shares, representing approximately 50.99% of the Shares in issue (excluding treasury shares) as at the Offer Announcement Date¹.

¹ Based on 281,721,327 Shares (excluding treasury shares) as at 1 September 2015 as reflected in the electronic instant information search results from ACRA in respect of the Company as at 1 September 2015.

- 3.3 Each Undertaking Shareholder has, pursuant to their respective Irrevocable Undertakings, undertaken to, amongst other things:
- (a) accept or procure the acceptance of, the Offer in respect of:
 - (i) all their Shares as set out in the table in paragraph 3.1 above;
 - (ii) any other Shares of which they may thereafter become the beneficial owner or of which they may become so interested; and
 - (iii) any Shares deriving from the Shares in sub-paragraphs (i) and (ii) above,(collectively, the "**Relevant Shares**"); and
 - (b) accept or procure the acceptance of, the Offer in respect of the Relevant Shares on the third (3rd) business day after the date of despatch to shareholders of the Company of the Offer Document (or in relation to the Relevant Shares falling within sub-paragraphs (a)(ii) and (a)(iii) above, as soon as practicable after they become the beneficial owner of, or they become interested in, such Shares).
- 3.4 Aloysius Lim Cher Kia has, pursuant to his Irrevocable Undertaking, further agreed, amongst other things, that:
- (a) he will not sell, transfer, dispose of or otherwise Encumber his direct interest in 50,999 ordinary shares and 1 preference share the capital of ALBE, representing approximately 51% of the total issued ordinary shares and 100% of the total issued preference shares in the capital of ALBE. For the purposes of the Irrevocable Undertaking, "**Encumber**" means any claim, charge, mortgage, security, lien, option, equity, power of sale, hypothecation or other third party rights, retention of title, right of pre-emption, right of first refusal or security interest of any kind; and
 - (b) he will procure that ALBE:
 - (i) shall not, on and from the date of the Irrevocable Undertaking up to the close of the Offer, issue any shares or other equity securities of ALBE to any person; and
 - (ii) complies with the terms of the Irrevocable Undertaking, including doing all further acts and things, and executing and delivering (or procuring the execution and delivery of) such further documents, as may be required by law or as may be necessary to implement and/or give effect to the Irrevocable Undertaking and the transactions contemplated under it.

- 3.4 Pursuant to the Irrevocable Undertakings, the obligations of the Undertaking Shareholders shall lapse and be of no further force and effect, if for whatever reason, other than a breach of their obligations (a) the Offer Announcement is not released by 5.30 p.m. on 3 September 2015; (b) after the Offer has been announced, the Offer is withdrawn or lapses or fails to become or be declared to be unconditional for any reason; or (c) the purchase of the Relevant Shares is not completed by the Offeror for any reason.
- 3.5 Save as disclosed in this Announcement, neither the Offeror nor any party acting in concert with it has received any irrevocable undertaking from any holder of Offer Shares to accept or reject the Offer as at the Offer Announcement Date.

4. FINANCIAL EVALUATION OF THE OFFER

- 4.1 **Attractiveness of the Offer.** The Offeror believes that the Offer, when made, represents an attractive proposition to the shareholders of the Company (“**Shareholders**”) to realise their entire investment in the Shares for cash or realise part of their investment and continue to participate in the future prospects of the Company. Shareholders are advised to read this paragraph in conjunction with the rest of this Announcement, including the Offeror’s rationale for the Offer.
- 4.2 **Financial Evaluation.** The Offer Price represents the following premium over the benchmark prices of the Offer Shares:

	Period	Benchmark Price (S\$) ⁽¹⁾	Premium over / (discount to) the Benchmark Price ⁽²⁾
(i)	Last transacted price per Share on the Singapore Exchange Securities Trading Limited (“ SGX-ST ”) on 31 August 2015 (being the last full day of trading in the Shares prior to the Offer Announcement Date)	0.198	21%
(ii)	Volume weighted average price (“ VWAP ”) of the Shares on the SGX-ST for the one (1)-month period up to the Offer Announcement Date, being 1 August 2015 to 31 August 2015 (both dates inclusive)	0.190	26%
(iii)	VWAP of the Shares on the SGX-ST for the three (3)-month period up to the Offer Announcement Date, being 2 June 2015 to 31 August 2015 (both dates inclusive)	0.189	27%
(iv)	VWAP of the Shares on the SGX-ST for the six (6)-month period up to the Offer Announcement Date, being 2 March 2015 to 31 August 2015 (both dates inclusive)	0.180	33%
(v)	VWAP of the Shares on the SGX-ST for the twelve (12)-month period up to the Offer Announcement Date, being 1 September 2014 to 31 August 2015 (both dates inclusive)	0.173	39%

Note:

⁽¹⁾ The VWAPs above are based on data extracted from Bloomberg L.P. and the website of the SGX-ST as at 31 August 2015 and the figures were rounded to the nearest three (3) decimal places.

5. INFORMATION ON THE COMPANY

5.1 Corporate Information. The Company was incorporated in Singapore on 4 September 1998, and is listed on the Main Board of the SGX-ST. As at 1 September 2015, the Company has an issued and paid-up share capital of S\$32,639,473.47² comprising 281,721,327 ordinary shares, excluding 5,225,097 treasury shares.

Based on publicly available information, the board of directors of the Company as at the Offer Announcement Date comprises:

- (a) Aloysius Lim Cher Kia (Executive Chairman);
- (b) Chow Kok Hwee (Chief Executive Officer);
- (c) Soong Wee Choo (Executive Director and Chief Financial Officer);
- (d) Chew Heng Ching (Independent Director);
- (e) Chow Kok Kee (Independent Director); and
- (f) Henry Tan Song Kok (Independent Director).

5.2 Principal Activities. Based on publicly available information, the principal activities of the Company are those relating to investment holding and providing management services to its subsidiaries, while the principal activities of its subsidiaries consist of the business of plastic injection moulding and sub-assembly as well as secondary processes and sale of plastic components mainly for computer peripherals, consumer electronics, automotive, medical devices, communication, semiconductor and disk drive industries. The subsidiaries also provide product design and development, mould design and fabrication as well as electronics assembly services. The group of companies have advanced manufacturing facilities located in Singapore, Malaysia, Thailand and China (Dongguan, Wuxi and Shanghai).

6. INFORMATION ON THE OFFEROR AND ITS RELATED COMPANIES

6.1 The Offeror. The Offeror was incorporated in Singapore on 27 July 2015 as a private limited company. As at the Offer Announcement Date, the Offeror has an issued and paid-up share capital of US\$1.00 comprising 1 ordinary share, all of which are held by Clearlake Limited ("**Clearlake**"), which is in turn wholly-owned by Shaw Kwei & Partners Ltd. ("**SKPL**"), in its capacity as general partner of Asian Value Investment Fund 3, L.P. ("**AVIF3**"), an exempted limited partnership organised and existing under the laws of the Cayman Islands. The Offeror is principally an investment holding company for the purpose of the Offer. The directors of the Offeror as at the Offer Announcement Date are Mr Kyle Shaw and Ms Wong Pei Shan.

6.2 Clearlake. Clearlake was incorporated on 22 July 2015 as an exempted company incorporated in the Cayman Islands with limited liability. As at the Offer Announcement Date, the authorised capital of Clearlake is US\$50,000 divided into 50,000 shares of a nominal or par value of US\$1.00 each. Clearlake is wholly-owned by SKPL, in its capacity as general partner of AVIF3. As at the Offer Announcement Date, the directors of Clearlake are Mr Kyle Arnold Junior Shaw and Mr Ma Ka Man.

² Based on the electronic instant information search results from ACRA in respect of the Company as at 1 September 2015.

6.3 SKPL. SKPL is a fund management firm incorporated as a limited liability exempted company in the Cayman Islands, which specialises in private equity investments in businesses operating in Asia with a focus on manufacturing and service industries.

7. RATIONALE FOR THE OFFER

7.1 Opportunity for Shareholders to Realise their Investments at a Premium. The Offer provides the minority Shareholders with an opportunity to exit from the Company and to realise their investments in Shares for cash at an attractive price. The Offer Price represents a highest price achieved since August 2007, and a premium to the last transacted price of Shares as quoted on the SGX-ST on 31 August 2015, being the last full day of trading of the Shares prior to the Offer Announcement Date and the VWAP per Share for the 1-month, 3-month, 6-month, 12-month periods up to and including the Offer Announcement Date of approximately 21%, 26%, 27%, 33% and 39% respectively.

7.2 Illiquidity of Shares.

As illustrated in the following table, the trading liquidity of Shares has been thin prior to the Offer Announcement Date. Such low liquidity limits the usefulness of a public listing.

Period prior to the Offer Announcement Date	1-month period	3-month period	6-month period	12-month period
Average daily trading volume ⁽¹⁾	595,000	361,694	292,285	211,697
Average daily trading volume as a percentage of the total Shares ^{(1) (2)}	0.211%	0.128%	0.104%	0.075%
Number of days for which there were trades in Shares ⁽¹⁾	19	53	103	176
Number of market days ⁽¹⁾	19	62	125	248

Notes:

(1) Based on data extracted from Bloomberg L.P.

(2) Rounded to the nearest three decimal places.

7.3 Greater Management Flexibility. As noted in **paragraph 8** below, depending on the outcome of the Offer, the Offeror does not intend to preserve the listing status of the Company. The Offeror believes that privatising the Company will give the Offeror and the management of the Company more flexibility to manage and plan the Company's business on a longer time horizon to optimise the use of its management and capital resources.

7.4 Eliminate Compliance Costs of Listing. As a listed entity, the Company has to incur listing, compliance and other related costs associated with continued listing requirements under the Listing Manual of the SGX-ST ("**Listing Manual**"). The privatisation of the Company will dispense it from listing-related expenses and enable it to channel such resources towards its business operations instead.

8. OFFEROR'S INTENTIONS FOR THE COMPANY

- 8.1 The Offeror currently does not intend to make changes to the management team of the Company, but will propose the appointment of directors to the Company as soon as practicable.
- 8.2 The Offeror has no current intention to (a) make any major changes to the business of the Company, (b) redeploy the fixed assets of the Company and its subsidiaries, or (c) discontinue the employment of the employees of the Company and its subsidiaries, other than in the normal course of business.
- 8.3 Nonetheless, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves and which the Offeror regards to be in the interests of the Company and/or the Group.
- 8.4 **The Offeror intends to make the the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act, Chapter 50 of Singapore ("Companies Act") and does not intend to take steps for the lifting of any trading suspension of the Shares by the SGX-ST in the event that, *inter alia*, less than 10% of the Shares (excluding treasury shares) are held in public hands.** In addition, the Offeror also reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.

9. LISTING STATUS AND COMPULSORY ACQUISITION

- 9.1 **Compulsory Acquisition under Section 215(1) of the Companies Act.** Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held as treasury shares), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") on the same terms as those offered under the Offer. In such an event, the Offeror intends to exercise its rights of compulsory acquisition.
- 9.2 **Compulsory Acquisition under Section 215(3) of the Companies Act.** Pursuant to Section 215(3) of the Companies Act, if the Offeror or its nominees acquires, pursuant to the Offer, such number of Shares which, together with Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total number of issued Shares (excluding any Shares held as treasury shares), the Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the on the same terms as those offered under the Offer. Shareholders who wish to exercise such a right, if any, are advised to seek their own independent legal advice.
- 9.3 **Listing Status.** Under Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and parties acting in concert with it to above 90% of the total number of issued Shares (excluding any Shares held as treasury shares), the SGX-ST may suspend the

listing of the Shares in the Ready and Unit Share markets until such time it is satisfied that at least 10% of the total number of issued Shares (excluding any Shares held as treasury shares) are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding any Shares held as treasury shares), thus causing the percentage of the total number of issued Shares (excluding any Shares held as treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding any Shares held as treasury shares) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 725 of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724(1), Rule 1105 or Rule 1303(1) of the Listing Manual, **the Offeror does not intend to undertake or support any action for any such trading suspension by the SGX-ST to be lifted. It is the intention of the Offeror to privatise the Company and to delist the Company from the SGX-ST, should the option be available to the Offeror.**

10. DISCLOSURE OF HOLDINGS AND DEALINGS IN SECURITIES

10.1 Disclosures. As at the Offer Announcement Date, save as disclosed in this Announcement, none of the Offeror, Clearlake, SKPL and their respective directors, or AVIF3 (each, a "**Relevant Person**" and collectively, the "**Relevant Persons**");

- (a) owns, controls or has agreed to acquire any (a) Shares, (b) securities which carry voting rights in the Company, or (c) convertible securities, warrants, options or derivatives in respect of, such Shares or securities referred to in (a) and (b) above ("**Relevant Securities**");
- (b) has dealt for value in any Relevant Securities during the three (3)-month period prior to the Offer Announcement Date ("**Reference Period**");
- (c) has received any irrevocable undertaking from any holder of the Offer Shares to accept or reject the Offer;
- (d) has entered into an arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or Relevant Securities which might be material to the Offer;
- (e) has granted a security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;
- (f) has borrowed any Relevant Securities from any other person (excluding borrowed Relevant Securities which have been on-lent or sold); and

(g) has lent any Relevant Securities to any other person.

10.2 Confidentiality. In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in the Offer Document.

11. CONFIRMATION OF FINANCIAL RESOURCES

PricewaterhouseCoopers Corporate Finance Pte Ltd confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares.

12. OFFER DOCUMENT

The Offer Document setting out the full terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Offer Announcement Date.

The Offer will be open for acceptance by Shareholders for at least 28 days from the date of posting of the Offer Document.

Shareholders are advised to exercise caution when dealing in the Shares.

13. OVERSEAS SHAREHOLDERS

13.1 Offer Announcement. This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any securities, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

13.2 Overseas Shareholders. The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of The Central Depository (Pte) Limited, as the case may be ("**Overseas Shareholder**"), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements. For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

The Offer (unless otherwise determined by the Offeror and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by

any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

14. RESPONSIBILITY STATEMENT

The directors of the Offeror, Clearlake and SKPL (including any who may have delegated detailed supervision 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 no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, information relating to the Company and its subsidiaries), the sole responsibility of the directors of the Offeror, Clearlake and SKPL have been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by

SOUTHSHORE PTE. LTD.

1 September 2015

Singapore

Any enquiries relating to this Announcement or the Offer should be directed during office hours to the following:

Southshore Pte. Ltd.

Kyle Shaw

Director

Tel: +65 9487-4995

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Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's 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 or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror, Clearlake or SKPL undertake any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.