

JCET-SC (SINGAPORE) PTE. LTD.

9 September 2015

To: The shareholders of STATS ChipPAC Ltd.

Dear Sir/Madam

COMPULSORY ACQUISITION OF SHARES IN STATS CHIPPAC LTD. PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE ("COMPANIES ACT") BY JCET-SC (SINGAPORE) PTE. LTD. AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1 This letter ("**Letter**") is sent to you in connection with the compulsory acquisition of your shares in STATS ChipPAC Ltd. (the "**Company**") by JCET-SC (Singapore) Pte. Ltd. (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 Company ("**Shares**") to the Offeror and to receive the payment for your Shares.
- 1.2 We refer to:
 - (a) the composite document dated 16 July 2015 ("**Composite Document**") in relation to the voluntary conditional offer ("**Offer**") by Deutsche Bank AG, Singapore Branch, China International Capital Corporation (Singapore) Pte. Limited and DBS Bank Ltd. (together, the "**Offeror's Financial Advisers**"), for and on our behalf, for all the issued and paid-up ordinary shares (excluding issued and paid-up ordinary shares held by the Company but including shares issued and paid-up upon the valid exercise or vesting of Options and Awards) in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees; and
 - (b) the announcement dated 5 August 2015 made by the Offeror's Financial Advisers for and on behalf of the Offeror in relation to, *inter alia*, the Offeror's entitlement to exercise its rights of compulsory acquisition under section 215(1) of the Companies Act.
- 1.3 All terms and references used in this Letter which are defined or construed in the Composite Document but are not defined or construed in this Letter shall have the same meaning and construction as defined in the Composite Document.
- 1.4 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).
- 1.5 **Holdings of Shares.** As at 5.30 p.m. on 27 August 2015, 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 2,141,885,108 Shares (other than those already owned, controlled or agreed to be acquired by us, our related corporations and our respective nominees as at the date of the Composite Document), representing approximately 97.26% of the total number

of Shares¹, which when taken together with the Shares held by us as at the date of the Composite Document, comprise an aggregate of 2,144,087,327 Shares, representing approximately 97.36% of the total number of Shares.

- 1.6 **Compulsory acquisition.** As we have received valid acceptances and/or acquired Shares in respect of not less than 90% of the total number of Shares (other than those already owned, controlled or agreed to be acquired by us, our related corporations and our respective nominees as at the date of the Composite Document), we are entitled to and are exercising the right of compulsory acquisition under section 215(1) of the Companies Act, to compulsorily acquire, at the Offer Price of S\$0.46577 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 us or which we have 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 The Central Depository (Pte) Limited (“CDP”) and/or M & C Services Private Limited (the “Registrar”), as the case may be, you have not accepted the Offer as at 27 August 2015. Accordingly, we are writing to inform you that we are exercising our right under section 215(1) of the Companies Act to acquire all the Shares held by you at a cash consideration of S\$0.46577 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 our right of compulsory acquisition under section 215(1) of the Companies Act, we will acquire all the Shares held by you on or after 9 October 2015, being the date after the expiration of one (1) month from the date of the 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 Company by us, the Company will cause all the Shares held by you to be transferred to us and register us as the holder of all those Shares as soon as practicable thereafter. The Consideration will be held by the Company on trust for you in a separate bank account to be established by the Company.

- 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 the Form 57, as soon as practicable after the Transfer Date:

- (a) if your Shares are held through a securities account maintained with CDP, CDP will, on behalf of the Company, despatch remittances in the form of cheques for the appropriate amount of the Consideration payable in respect of your Shares to you by ordinary post, at your own risk, to your address as it appears in the records of CDP, or by such other manner as you may have agreed with CDP for the payment of any cash distributions; or
- (b) if your Shares are held in scrip form, the Registrar will, on behalf of the Company, despatch a cheque for the appropriate amount of the Consideration payable in respect of your Shares to you by registered post, at your own risk, to your address as it appears in the register of holders of the Shares, as maintained by the Registrar.

¹ Unless otherwise stated, references in this Letter and its enclosures to percentage or total number of Shares are based on a total of 2,202,218,293 Shares as at 8 July 2015 based on the electronic instant information search results from ACRA in respect of the Company on 8 July 2015. Figures are rounded to the nearest two decimal places. Any discrepancies in the figures included in this Letter and its enclosures between the amounts shown and the totals thereof are due to rounding and accordingly, figures shown as totals in this Letter and its enclosures may not be an arithmetic aggregation of the figures that precede them.

2.5 **Action.** No action needs to be taken by you in relation to Form 57 to entitle you to payment, which will be made to you in accordance with paragraphs 2.3 and 2.4 of this Letter.

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 us 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 the Form 58 (that is, by 9 December 2015), require us to acquire your Shares and we shall be entitled and bound to acquire your Shares at the Consideration and on the same terms as those offered under the Offer.

3.2 **No Action Required. As we 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.** Shareholders who nonetheless wish to exercise their rights under section 215(3) of the Companies Act are advised to seek their own independent legal advice.

4. GENERAL

4.1 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, and the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.


4.2 If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Form 57 and Form 58 immediately to the purchaser or transferee or to the bank, stockbroker, or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

5. DIRECTORS' RESPONSIBILITY STATEMENT

5.1 The directors of the Offeror and Jiangsu Changjiang Electronics Technology Co., Ltd. ("**JCET**", as the ultimate parent company of the Offeror) (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter (other than those relating to or expressed by the Company) are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

5.2 Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Offeror and JCET 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 Letter. The directors of the Offeror and JCET do not accept any responsibility for any information relating to or any opinion expressed by the Company.

Yours faithfully
For and on behalf of
JCET-SC (SINGAPORE) PTE. LTD.



WANG XINCHAO
CHAIRMAN

Encs.