

**SINGAPORE SAN TEH REAL ESTATE PTE. LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 201117887N)

12 November 2019

To: The Shareholders of San Teh Ltd

Dear Sir/Madam

**COMPULSORY ACQUISITION OF SHARES IN SAN TEH LTD PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE "COMPANIES ACT") BY SINGAPORE SAN TEH REAL ESTATE PTE. LTD., AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT**

**1. INTRODUCTION**

- 1.1 **Offer.** We, Singapore San Teh Real Estate Pte. Ltd. (the "**Offeror**"), refer to the voluntary conditional cash offer (the "**Offer**") by CEL Impetus Corporate Finance Pte. Ltd. ("**CICF**"), for and on our behalf, for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of San Teh Ltd (the "**Company**") (excluding treasury Shares), including all the Shares owned, controlled or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror (the "**Offer Shares**"). The Offer has since been declared unconditional in all respects on 24 October 2019.

*All capitalised terms used and not defined in this letter (this "**Letter**") shall have the same meanings ascribed to them in the formal offer document containing the terms and conditions of the Offer (the "**Offer Document**") despatched to the shareholders of the Company (the "**Shareholders**") on 26 September 2019, unless otherwise expressly stated or the context otherwise requires.*

**If you have already validly accepted the Offer in respect of all your Shares by completing and returning a FAA and/or a FAT, please disregard this Letter and the accompanying Form 57 and Form 58 (each as defined below).**

**If you have sold or otherwise transferred any or all of your Shares on the SGX-ST prior to the date of this Letter, 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.**

**For the avoidance of doubt, the Offer is open for acceptance by Shareholders until 5.30 p.m. (Singapore time) on 21 November 2019 (Thursday).**

- 1.2 **Holdings of Shares.** As announced by CICF, for and on our behalf, as at 5.00 p.m. (Singapore time) on 24 October 2019, the total number of Shares owned, controlled or agreed to be acquired by us and parties acting in concert with us (including valid acceptances of the Offer) amount to an aggregate of 315,745,638 Shares, representing approximately 92.32% of the total number of Shares<sup>1</sup>.

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<sup>1</sup> Unless otherwise stated, references in this Letter to percentages or the total number of Shares are based on a total of 342,024,763 Shares (excluding 5,414,000 treasury Shares).

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

- 2.1 **Entitlement of the Offeror under Section 215(1) of the Companies Act.** As we already own, control or have agreed to acquire not less than 90% of the total number of Shares (excluding treasury Shares) in the Company (other than those already held by us, our related corporations or respective nominees as at the date of the Offer), we are entitled and, as stated in the Offer Document, intend to exercise our rights of compulsory acquisition under Section 215(1) of the Companies Act (the “**Section 215(1) Compulsory Acquisition Rights**”) to compulsorily acquire all the Offer Shares of Shareholders who have not accepted the Offer as at the date of this Letter (the “**Dissenting Shareholders**”), on the same terms and conditions of the Offer.
- 2.2 **Dissenting Shareholders.** According to the records maintained by the Central Depository (Pte) Limited (the “**CDP**”) and/or RHT Corporate Advisory Pte. Ltd. (the “**Registrar**”) (as the case may be), you have not accepted the Offer in respect of your Offer Shares. Accordingly, we are writing to inform you that we wish to exercise our Section 215(1) Compulsory Acquisition Rights to acquire all the Offer Shares held by you at the consideration of **S\$0.28** in cash for each Offer Share (the “**Consideration**”) and on the same terms and conditions of the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“**Form 57**”).
- 2.3 **Compulsory Acquisition.** We will exercise our Section 215(1) Compulsory Acquisition Rights to acquire all the Offer Shares held by you on or after 13 December 2019 (the “**Transfer Date**”), being the date after the expiration of one 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.
- 2.4 **Registration of Transfer.** Upon our delivery of the Consideration to the Company, the Company will cause to be transferred to us all the Offer Shares held by you and will register us as the holder of all those Offer Shares as soon as practicable. The Consideration will be held by the Company on trust for you in a separate bank account established by the Company, and it will be paid to you in accordance with the settlement procedures set out in paragraph 2.5 below.
- 2.5 **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in Form 57, as soon as practicable after the Transfer Date:
- (a) if your Offer Shares are held through a Securities Account maintained with CDP, CDP will, on our behalf, despatch remittances in the form of S\$ crossed cheques drawn on a bank in Singapore for the appropriate aggregate amount of the Consideration payable in respect of all your Offer 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; and
  - (b) if your Shares are held in scrip form, the Registrar will, on our behalf, despatch a S\$ crossed cheque drawn on a bank in Singapore for the appropriate aggregate amount of the Consideration payable in respect of all your Offer Shares to you by ordinary post, at your own risk, to your address as it appears in the Register, as maintained by the Registrar.
- 2.6 **No Action Needed.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Offer Shares and entitle you to payment, which will be made to you in accordance with paragraphs 2.4 and 2.5 above.

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

3.1 **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Offer 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 months from the date of Form 58 (that is, by 12 February 2020), require us to acquire your Offer Shares and we shall be entitled and bound to acquire your Offer Shares at the Consideration and on the same terms and conditions of the Offer (or otherwise in accordance with Section 215(3) of the Companies Act).

3.2 **No Action Required. As we will be proceeding to compulsorily acquire your Offer Shares pursuant to our Section 215(1) Compulsory Acquisition Rights on the terms set out in the enclosed Form 57 and as described in paragraph 2 above, you need not take any action in relation to Form 58.** Shareholders who nevertheless wish to exercise their right under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

### **4. DELISTING**

4.1 **Listing Status of the Company.** Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of Shares (excluding treasury Shares) is at all times held by the public (the "**Free Float Requirement**"). As announced on 24 October 2019, and based on the latest information available to us and to the best of our knowledge, the Free Float Requirement is no longer satisfied, and as stated in the Offer Document, given that we intend to exercise our Section 215(1) Compulsory Acquisition Rights, we do not intend to undertake or support any action to maintain the listing status of the Company, or to restore the Free Float Requirement, or for any trading suspension by the SGX-ST to be lifted.

4.2 Pursuant to Rule 1303(1) of the Listing Manual, the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer. The Company will be delisted from the SGX-ST upon the completion of the compulsory acquisition exercise under Section 215(1) of the Companies Act as described in this Letter. The date on which the Company will be delisted from the SGX-ST will be announced in due course.

### **5. GENERAL**

**If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

### **6. RESPONSIBILITY STATEMENT**

The Offeror Board (including those who may have delegated supervision of this Letter) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that there are no other material facts not contained in this Letter, the omission of which would make any statement in this Letter misleading; and the Offeror Board jointly and severally accepts responsibility accordingly.

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

Yours faithfully

For and on behalf of

**Singapore San Teh Real Estate Pte. Ltd.**



Signature:

Kao Ching Fong nee Pan

Director

Enc: Form 57 and Form 58