

**BERKLEY INTERNATIONAL LIMITED ANNOUNCES
VOLUNTARY CONDITIONAL
CASH OFFER FOR LIZHONG WHEEL GROUP LTD.**

Summary

- Berkley International Limited (the “**Offeror**”), has announced its intention to make a voluntary conditional cash offer (the “**Offer**”) for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of Lizhong Wheel Group Ltd. (the “**Company**”), other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer (the “**Offer Shares**”).
- The Offer Price of **S\$0.50** per Share represents:
 - ✓ 96.08% over the last transacted price on 6 August 2015 (being the last Market Day on which the Shares were transacted prior to the Offer Announcement Date)
 - ✓ 90.84%, 74.83%, 87.27% and 92.31% over the one-month, three-month, six-month and twelve-month VWAP up to and including the Last Trading Day of the Shares on the SGX-ST preceding the Offer Announcement Date
 - ✓ 44.93% over the highest closing price for the Shares in 3 years up to and including the Last Trading Day of the Shares on the SGX-ST preceding the Offer Announcement Date
- The Offer will be conditional upon not less than 90% of the Offer Shares being owned, controlled or agreed to be acquired by the Offeror as at the close of the Offer, whether via valid acceptances of the Offer or otherwise¹.
- The Offeror reserves the right to reduce the Acceptance Condition to a lower minimum acceptance level, subject to consent from the Securities Industry Council of Singapore.
- Shareholders holding approximately 66.77% of the total issued Shares² have undertaken to accept the Offer.
- The Offeror does not intend to preserve the listing status of the Company.
- Rationale of the Offer:
 - ✓ The Offer provides Shareholders who find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares
 - ✓ The Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment in Shares at a significant premium to the prevailing trading prices of the Shares without incurring brokerage and other trading costs
 - ✓ The Offeror believes that privatising the Company will give the Offeror and the management of the Company more flexibility to manage the business of the Company, optimise the use of its management and capital resources and facilitate the implementation of any operational change
 - ✓ In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations

¹ The Acceptance Condition is fully described in this press release below.

² In this press release, the reference to the total number of issued Shares shall be to 235,025,550 Shares.

Unless otherwise defined herein, all capitalised terms which are used in this press release shall have the meanings ascribed to them in the Offer Announcement dated 17 August 2015 made by DBS Bank Ltd. for and on behalf of Berkley International Limited. A copy of the Offer Announcement is available on <http://www.sgx.com>.

Singapore, 17 August 2015 – Berkley International Limited intends to make an Offer for all the Shares in the capital of the Company, other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer.

The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror before or during the Offer, will result in the Offeror holding not less than 90% of the Offer Shares (excluding any Shares held in treasury) as at the close of the Offer ("**Acceptance Condition**").

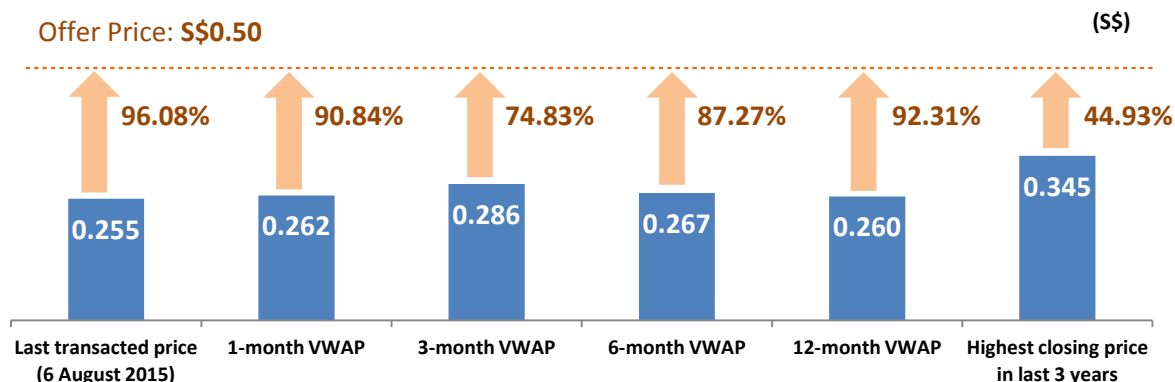
The Offeror reserves the right to reduce the Acceptance Condition to a lower minimum acceptance level, provided that such revision be made after obtaining the consent of the Securities Industry Council of Singapore.

Li Zhong Investment Ltd, a major shareholder of the Company, and two (2) other shareholders of the Company (collectively, the "**Undertaking Shareholders**") have executed irrevocable undertakings in favour of the Offeror, pursuant to which they have undertaken to, *inter alia*, accept the Offer in respect of all the Shares held by each of them. The Undertaking Shareholders, as at the Offer Announcement Date, holds an aggregate of 156,916,905 shares, representing 66.77% of the total issued Shares.

The Offer provides Shareholders of the Company who find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the prevailing market prices which would otherwise not be available given the low trading liquidity.

The Offeror also believes that privatising the Company will give the Offeror and the management of the Company more flexibility to manage the business of the Company as well as save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.

The Offer Price represents the following premia over the historical traded prices of the Shares:



Notes:

- i. Source: Bloomberg L.P.
- ii. Premia are computed based on the share prices which were rounded to the nearest three (3) decimal places.
- iii. Percentages rounded to the nearest two (2) decimal places.
- iv. The VWAP comparisons are with reference to the relevant periods up to and including 14 August 2015, being last full Market Day³ immediately prior to the Offer Announcement Date.

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

The sole director of the Offeror has taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that there are no other material facts not contained in this press release, the omission of which would make any statement in this press release misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the sole director of the Offeror 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 press release.

Any inquiries relating to this press release or the Offer should be directed to:

DBS Bank Ltd.

Strategic Advisory

Tel: (65) 6878 5478

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 “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future and conditional verbs such as “will”, “would”, “should”, “could”, “may” or “might”. These statements reflect the Offeror’s current expectations, beliefs, 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 described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements. None of the Offeror nor DBS Bank undertakes any obligation to update publicly or revise any forward-looking statements.

³ A day on which the SGX-ST is open for the trading of securities.