

Fischer Tech Ltd
(UEN/Reg. No: 199404532R)
(Incorporated in Singapore)

FT Holding II Limited
(Company Registration No.: 323958)
(Incorporated in the Cayman Islands)

JOINT ANNOUNCEMENT

PROPOSED ACQUISITION BY FT HOLDING II LIMITED OF ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF FISCHER TECH LTD BY WAY OF A SCHEME OF ARRANGEMENT

1. INTRODUCTION

1.1 The Scheme. The respective boards of directors of Fischer Tech Ltd ("**Company**") and FT Holding II Limited (the "**Offeror**") are pleased to announce the proposed acquisition ("**Acquisition**") by the Offeror, a special purpose company incorporated under the laws of the Cayman Islands, which is an indirect wholly-owned subsidiary of investment funds and entities affiliated with and advised by Platinum Equity Advisors, LLC (together with its subsidiaries, "**Platinum**"), of all the issued and paid-up ordinary shares in the capital of the Company (excluding any held as treasury shares, "**Shares**"). The Acquisition will be effected by way of a scheme of arrangement ("**Scheme**") between the Company and all of its shareholders ("**Shareholders**") in accordance with section 210 of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") and the Singapore Code on Take-overs and Mergers (the "**Code**").

1.2 Implementation Agreement. In connection with the Acquisition, the Company and the Offeror (each, a "**Party**" and collectively, the "**Parties**") have on 27 July 2017 entered into an implementation agreement ("**Implementation Agreement**") setting out the terms and conditions on which the Offeror and the Company will implement the Scheme.

1.3 Scheme Consideration and Premium

Scheme Consideration = <u>S\$3.02 in cash</u> for each Share

The Scheme Consideration represents an attractive premium of approximately 95.6 per cent. (95.6%) over the Company's 12-month volume weighted average price¹ ("**VWAP**") of S\$1.544 up to and including 4 April 2017² (see **paragraphs 8.2 and 9** of this Joint Announcement for details).

¹ VWAP is calculated as the total traded value of the Shares divided by the total volume of Shares traded, based on data extracted from Bloomberg L.P. which shows prices adjusted to reflect any changes in the share capital of the Company. VWAP is rounded to the nearest three decimal places.

² Being the last trading day immediately prior to the Holding Announcement Date (as defined in **paragraph 8.2** below).

2. INFORMATION ON THE PARTIES

- 2.1 The Company.** The Company was incorporated in Singapore on 28 June 1994 and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 4 July 2001. The Company, together with its subsidiaries (collectively, the "**Group**" and any member of the Group, a "**Group Company**"), is engaged in the business of manufacturing precision plastic injection moulds, high precision plastic injection moulding, laser marking and decorative finishing for engineering components for the automotive, computer peripherals, healthcare and consumer product industries, with a presence in Singapore, China, Thailand and Malaysia.

The board of directors of the Company comprises the following:

- (i) Mr. Foo Meng Tong ("**FMT**") (Non-Executive Chairman)
- (ii) Mr. Tan Choon King ("**TCK**") (President and Chief Executive Officer)
- (iii) Mr. Chan Kok Wai, Peter ("**CKW**") (Executive Director and Chief Operating Officer)
- (iv) Mr. Ng Boon Yew (Non-Executive and Independent Director)
- (v) Mr. Moy Kok Leng, James (Non-Executive and Independent Director)
- (vi) Mr. Leong Hong Kiat, Amos (Non-Executive Director)

As at the date of this Joint Announcement (the "**Joint Announcement Date**"), the Company has an issued and paid-up share capital of S\$57,835,594.01, comprising 55,760,986 Shares.

- 2.2 Platinum and the Offeror.** Founded in 1995 by Tom Gores, Platinum is a global investment firm with US\$13 billion of assets under management and a portfolio of approximately 30 operating companies that serve customers around the world. Platinum specializes in mergers and operations – a trademarked strategy it calls M&A&O[®] – acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment, technology, telecommunications and other industries. Over the past 22 years, Platinum has completed more than 190 acquisitions. In 2016, Platinum portfolio companies generated more than US\$19 billion of revenue.

For the purpose of the Acquisition, the Offeror, a special purpose company, has been incorporated in the Cayman Islands as a wholly-owned subsidiary of FT Holding I Limited ("**HoldCo**"), which is in turn wholly-owned by Pearl Holding I Limited ("**Pearl I**"), a company incorporated in the Cayman Islands, whose principal activity is that of an investment company. All of the shares in Pearl I are owned by Project Pearl Holding Limited ("**Pearl UK**"), which is in turn owned by investment funds and entities affiliated with and advised by Platinum Equity Advisors, LLC.

The current members of the board of directors of the Offeror are Mr. Soo Jin Goh, Ms. Eva Monica Kalawski and Ms. Mary Ann Sigler, who are employees of Platinum.

3. THE SCHEME

3.1 The Acquisition. Under the Scheme:

3.1.1 all the Shares held by the Shareholders as at 5.00 p.m. on a books closure date to be announced by the Company on which the transfer books and the register of members of the Company ("**Register of Members**") will be closed in order to determine the entitlements of the Shareholders in respect of the Scheme (the "**Books Closure Date**" and any such Shareholder, an "**Entitled Shareholder**") will be transferred to the Offeror:

- (i) fully paid;
- (ii) free from all claims, charges, mortgages, security, liens, options, equity, power of sale, hypothecations or other third party rights, retention of title, rights of pre-emption, rights of first refusal or security interests of any kind or any agreements, arrangements or obligations (whether conditional or otherwise) to create any of the foregoing; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company on or after the Joint Announcement Date (other than the Dividends (as defined below)), in exchange for the Scheme Consideration (as defined below). If any dividend, right or other distribution is declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date (other than the Dividends), the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividend, right or distribution.

As announced by the Company on 30 May 2017, the Company has declared the following dividends ("**Dividends**"):

- (a) a final cash dividend of S\$0.03 per Share; and
- (b) a special cash dividend of S\$0.03 per Share,

for the financial year ended 31 March 2017, which is anticipated to be paid on 17 August 2017³. For the avoidance of doubt, if and when the Scheme becomes effective, Shareholders will still be entitled to retain the Dividends; and

3.1.2 in consideration for such transfer, subject to and upon the Scheme becoming effective, each of the Entitled Shareholders will be entitled to receive S\$3.02 in cash for each Share ("**Scheme Consideration**") held by such Entitled Shareholder as at the

³ Subject to approval at the annual general meeting of the Company to be held on 28 July 2017. Please refer to the announcements made by the Company on SGXNET on 12 July 2017.

Books Closure Date. The aggregate cash amount that is payable to any Entitled Shareholder in respect of the Shares held by such Entitled Shareholder will be rounded down to the nearest whole cent.

Shareholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from the Entitled Shareholders under the Scheme.

Subject to the satisfaction or waiver (as the case may be) of the Scheme Conditions (see **paragraph 4** below and **Schedule 1** to this Joint Announcement), it is currently expected that the Acquisition will be completed in the second half of 2017.

3.2 Scheme Document. Further information on the Scheme and the terms and conditions upon which the Scheme will be implemented by the Company and the Offeror will be set out in the document to be issued by the Company to the Shareholders containing, *inter alia*, details of the Scheme (the "**Scheme Document**").

3.3 Delisting. Upon the Scheme becoming effective and binding, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST.

3.4 Switch Option. Subject to prior consultation with the Securities Industry Council ("**SIC**"):

3.4.1 pursuant to the terms of the Implementation Agreement, in the event that a Competing Offer⁴ arises or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed by way of a voluntary conditional cash offer made for or on behalf of the Offeror to acquire all the Shares at the Offer Price (as defined below) and on such other terms and conditions to be set out in the offer document (the "**Offer Document**") issued for or on behalf of the Offeror (the "**Offer**") in lieu of proceeding with the Acquisition by way of the Scheme (the "**Switch Option**"); and

3.4.2 if the Offeror exercises the Switch Option, it will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher

⁴ "**Competing Offer**" means any offer, proposal or expression of interest by any person(s) other than the Offeror pursuant to which such person(s) or any other person(s) may, directly or indirectly, and whether by way of share purchase, share subscription, scheme of arrangement or amalgamation, capital reconstruction or capital reduction, purchase of assets, exit offer, tender offer, general offer, partial offer, joint venture, dual listed company structure, or otherwise:

- (a) acquire or become the holder or owner of, or otherwise have an economic interest in all or any material part of (i) the businesses, assets, revenues and/or undertakings of the Group or (ii) the share capital of any member of the Group, it being agreed, for this purpose, that a Competing Offer will be deemed to be for or in respect of a material part of the assets, business, revenues and/or undertakings of the Group if the relevant assets, business revenues and/or undertakings in question constitute a "material amount" as that term is defined in Note 2 to Rule 5 of the Code;
- (b) acquire control over, or merge, consolidate or amalgamate with, any member of the Group;
- (c) benefit under any other arrangement having an effect similar to any of the above; or
- (d) effect a transaction or series of related transactions which would or is reasonably likely to preclude or restrict the Acquisition and/or the Scheme.

consideration than the Scheme Consideration for each Share (the "**Offer Price**"), and conditional upon a level of acceptances of the Shares to which the Offer relates set at only more than 50 per cent. (50%) of the Shares to which the Offer relates (and not conditional on a higher threshold). In such event, the Company and the Offeror have agreed that the Implementation Agreement (save for certain surviving provisions such as those relating to remedies, confidentiality, costs and expenses and governing law) shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer and neither Party shall have any claim against the other Party under it, save for any claim arising from any antecedent breach of the provisions of the Implementation Agreement or any breach of any obligation contained under the surviving provisions.

4. SCHEME CONDITIONS

4.1 Scheme Conditions. The Scheme is conditional upon the satisfaction or waiver (as the case may be) of a number of conditions precedent (the "**Scheme Conditions**") which are set out in **Schedule 1** to this Joint Announcement.

4.2 Benefit of Scheme Conditions

4.2.1 The Offeror's Benefit. The Offeror alone may waive the Scheme Conditions in paragraphs 6, 7(b) (in relation to Prescribed Occurrences set out in **Schedule 2** to this Joint Announcement relating to the Company or its subsidiaries), 9, 11 and 12 of **Schedule 1** to this Joint Announcement.

Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by the Offeror. The Offeror may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.

4.2.2 The Company's Benefit. The Company alone may waive the Scheme Conditions in paragraphs 7(a) (in relation to Prescribed Occurrences set out in **Schedule 2** to this Joint Announcement relating to the Offeror) and 10 of **Schedule 1** to this Joint Announcement.

Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by the Company. The Company may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.

4.2.3 Both Parties' Benefit. The Scheme Conditions in paragraphs 1, 2, 3, 4 (other than paragraphs 4(c) and 4(d)) and 8 of **Schedule 1** to this Joint Announcement are not capable of being waived by either or both of the Company and the Offeror. The Scheme Conditions in paragraphs 4(c), 4(d) and 5 of **Schedule 1** to this Joint Announcement may only be waived if such waiver has been agreed in writing between the Company and the Offeror (to the extent legally permissible).

5. TERMINATION

5.1 **Right to Terminate.** The Implementation Agreement provides that the Implementation Agreement may be terminated if:

5.1.1 **Regulatory Approval:** any court of competent jurisdiction has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme or any part thereof, or has refused to do anything necessary to permit the Scheme or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable, immediately by either Party serving written notice to the other Party;

5.1.2 **Shareholders' Approval:** the resolutions submitted to the Scheme Meeting (as defined below) are not approved (without amendment) by the requisite majority of the Shareholders at the Scheme Meeting, immediately by either Party serving written notice to the other Party; or

5.1.3 **Breach:** either:

- (a) the Company is in material breach of any provision of the Implementation Agreement (other than a provision which is qualified by a materiality test, in which case any breach shall suffice), in each such case which has individually or taken together with any other breaches resulted in a Material Adverse Effect (as defined in paragraph 11 of **Schedule 1** to this Joint Announcement), or has failed to perform and comply in all material respects with any matters referred to in paragraph 9(b) of **Schedule 1** to this Joint Announcement on or prior to the Relevant Date⁵, by the Offeror at any time on or prior to the Relevant Date by notice in writing to the Company; or
- (b) the Offeror is in material breach of any provision of the Implementation Agreement (other than a provision which is qualified by a materiality test, in which case any breach shall suffice) or has failed to perform and comply in all material respects with any matters referred to in paragraph 10(b) of **Schedule 1** to this Joint Announcement on or prior to the Relevant Date, by the Company at any time on or prior to the Relevant Date by notice in writing to the Offeror,

provided that, in each case, either the Offeror or the Company, as the case may be, has given written notice to the other Party of the alleged breach stating its intention to terminate the Implementation Agreement and further that in the case where such a breach is capable of remedy, the Party in breach fails to remedy the same within the earlier of (i) 20 business days after the receipt of such notice or (ii) the Relevant Date,

⁵ **"Relevant Date"** means the business day immediately prior to the lodgement of the order of the Court sanctioning the Scheme with ACRA (as defined below).

in each case, provided the relevant Party has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination.

5.2 Non-fulfilment of Scheme Conditions. Notwithstanding anything contained in the Implementation Agreement, the Implementation Agreement shall terminate if:

- 5.2.1 any of the Scheme Conditions set out in paragraph 1, 2, 3, 4 or 8 of **Schedule 1** to this Joint Announcement are not satisfied, or if the Scheme has not become effective, on or before 5.00 p.m. on the date falling seven months from the Joint Announcement Date or such other date as may be agreed in writing between the Company and the Offeror ("**Cut-off Date**"), immediately by either Party serving written notice to the other Party;
- 5.2.2 any of the Scheme Conditions set out in paragraph 5(a), 6, 7(b) (in relation to any Prescribed Occurrence set out in **Schedule 2** to this Joint Announcement relating to the Company or any of its subsidiaries), 9, 11 or 12 of **Schedule 1** to this Joint Announcement are not satisfied or, if applicable, waived, on or before 5.00 p.m. on the Cut-off Date, immediately by the Offeror serving written notice to the Company; or
- 5.2.3 any of the Scheme Conditions set out in paragraph 5(b), 7(a) (in relation to any Prescribed Occurrence set out in **Schedule 2** to this Joint Announcement relating to the Offeror) or 10 of **Schedule 1** to this Joint Announcement are not satisfied or, if applicable, waived, on or before 5.00 p.m. on the Cut-off Date, immediately by the Company serving written notice to the Offeror,

in each case, provided the relevant Party has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination.

5.3 Effect of Termination. In the event of termination of the Implementation Agreement, the Implementation Agreement shall cease to have any further force or effect (save for certain surviving provisions such as those relating to remedies, confidentiality, costs and expenses and governing law), but such termination shall not prejudice the rights of either Party which may have accrued or arisen prior to such termination, including any claim in respect of a breach of the Implementation Agreement (other than a claim relating to the Company's obligations to use reasonable endeavours to undertake certain pre-closing matters which are not Scheme Conditions).

6. SPECIFIC OBLIGATIONS OF THE COMPANY

The specific obligations of the Company are set out in **Schedule 3** to this Joint Announcement.

7. IRREVOCABLE UNDERTAKINGS

Deeds of Undertaking. Each of the Shareholders set out in **Schedule 4** to this Joint Announcement (collectively, the "**Undertaking Shareholders**") together holding approximately 75.48 per cent. (75.48%) of all of the Shares, and in the case of Harmony (S)

Holdings Pte. Ltd. ("**Harmony**"), its shareholders (being FMT and TCK) (together with the Undertaking Shareholders, the "**Undertaking Parties**") has given an irrevocable undertaking to the Offeror (the "**Deeds of Undertaking**") to, *inter alia*:

- 7.1.1 vote, or procure the voting of, all of its respective Shares (the "**Relevant Shares**") in favour of the Scheme and any other matter necessary or proposed to implement the Scheme at the meeting of the Shareholders to be convened pursuant to the order of the High Court of the Republic of Singapore (the "**Court**") to approve the Scheme and any adjournment thereof (the "**Scheme Meeting**");
- 7.1.2 vote against and reject any and all resolutions or proposals in relation to a Competing Offer by a third party (subject to, in the case of FMT, TCK and CKW only, each of their fiduciary duties as a director of the Company or any Group Company and their obligations pursuant to applicable law and/or regulation (including under the Code) solely in their capacity thereof, and not, for the avoidance of doubt, in their capacity as direct or indirect holders of any Relevant Shares or in respect of any deemed interest therein);
- 7.1.3 (in the event the Offeror exercises the Switch Option and announces the Offer in compliance with **paragraph 3.4.2** of this Joint Announcement) accept, or procure the acceptance of, the Offer in respect of all the Relevant Shares in accordance with the procedure for acceptance as prescribed in the Offer Document within a prescribed period from the date on which the Offeror despatches the Offer Document to the Shareholders and, notwithstanding the provisions of the Code or any terms of the Offer regarding withdrawal, not withdraw, and procure no withdrawal of, such acceptance(s);
- 7.1.4 comply with certain "no-shop" and "no-talk" obligations (subject to, in the case of FMT, TCK and CKW only, each of their fiduciary duties as a director of the Company or any Group Company and their obligations pursuant to applicable law and/or regulation (including under the Code) solely in their capacity thereof, and not, for the avoidance of doubt, in their capacity as direct or indirect holders of any Relevant Shares or in respect of any deemed interest therein); and
- 7.1.5 in the case of Harmony and TCK in his capacity as a majority owner of Harmony, comply with certain non-solicitation and non-compete undertakings in relation to the business and employees of the Group with effect from completion of the Acquisition.

On and subject to the terms of the Deeds of Undertaking, the Undertaking Parties have irrevocably and unconditionally agreed to not, directly or indirectly, accept any Competing Offer or any other offer for all or any of the Relevant Shares, whether or not such other Competing Offer or other offer is at a higher price than the Scheme Consideration and/or on terms more favourable than the Scheme.

Details of the Relevant Shares held by the Undertaking Shareholders as at the Joint Announcement Date are set out in **Schedule 4** to this Joint Announcement.

7.2 Termination. The Deeds of Undertaking will terminate on the earliest of any of the following dates:

7.2.1 the date falling seven months from the date of the Implementation Agreement;

7.2.2 if the Implementation Agreement is not terminated, the date the Scheme becomes effective in accordance with its terms (the "**Effective Date**"); and

7.2.3 if the Implementation Agreement lapses or is terminated, the earliest of:

- (i) the date on which the Implementation Agreement lapses or is terminated for any reason without the Scheme becoming effective (other than as a result of the Switch Option being exercised by the Offeror or a breach by any Undertaking Party of any of their respective obligations under the Deeds of Undertakings), if the Switch Option is not exercised by the Offeror;
- (ii) the date the Offer lapses or is withdrawn without having become unconditional in all respects, if the Switch Option is exercised by the Offeror;
- (iii) the date on which the Offer becomes or is declared unconditional in all respects, if the Switch Option is exercised by the Offeror and the Offer does not lapse or is not withdrawn for any reason; and
- (iv) the date on which the Relevant Shares are tendered in acceptance of the Offer, if the Switch Option is exercised by the Offeror.

7.3 No Other Irrevocable Undertakings. Save for the Deeds of Undertaking, neither the Offeror nor any Relevant Persons (as defined below) has received any irrevocable undertaking from any party to vote in favour of the Scheme as at the Joint Announcement Date.

7.4 SIC Confirmation. Pursuant to an application made by the Offeror to the SIC to seek certain rulings in relation to the Acquisition and the Scheme (the "**Application**"), the SIC has confirmed that the Undertaking Shareholders, to the extent they hold Shares as at the date of the Scheme Meeting, are allowed to attend and vote at the Scheme Meeting.

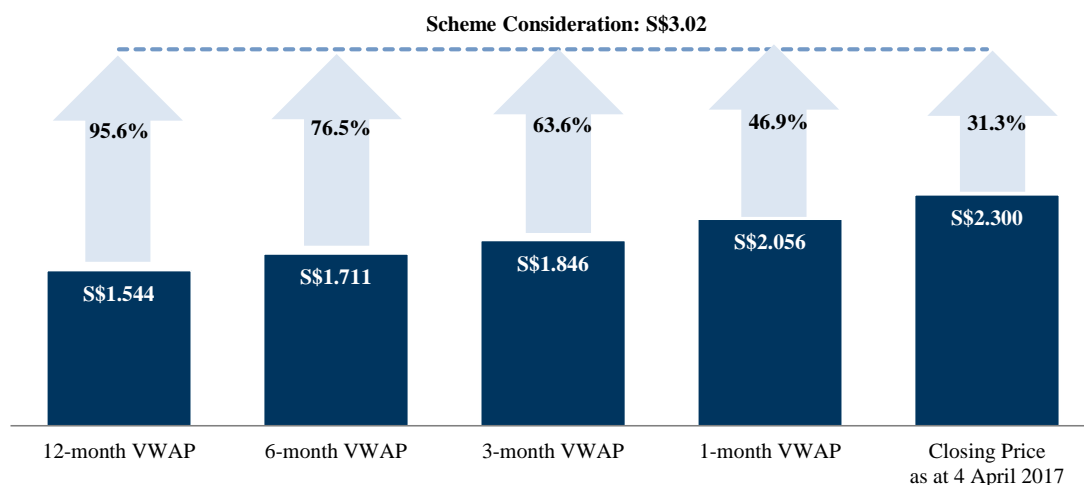
8. RATIONALE FOR THE ACQUISITION

8.1 Rationale. The Acquisition represents an opportunity for the Offeror to acquire a complementary business in the same plastic precision engineering industry that reinforces Platinum's existing geographic footprint and revenue base across diverse end-markets.

8.2 Opportunity for Shareholders to Realise their Investment at an Attractive Valuation without Incurring Brokerage Fees.

The Scheme Consideration represents a premium of approximately 31.3% over the Company's closing share price of S\$2.300 as at 4 April 2017, being the last trading day immediately prior to the date on which the Company released a holding announcement in respect of a possible transaction (the "**Holding Announcement Date**"), and a premium of

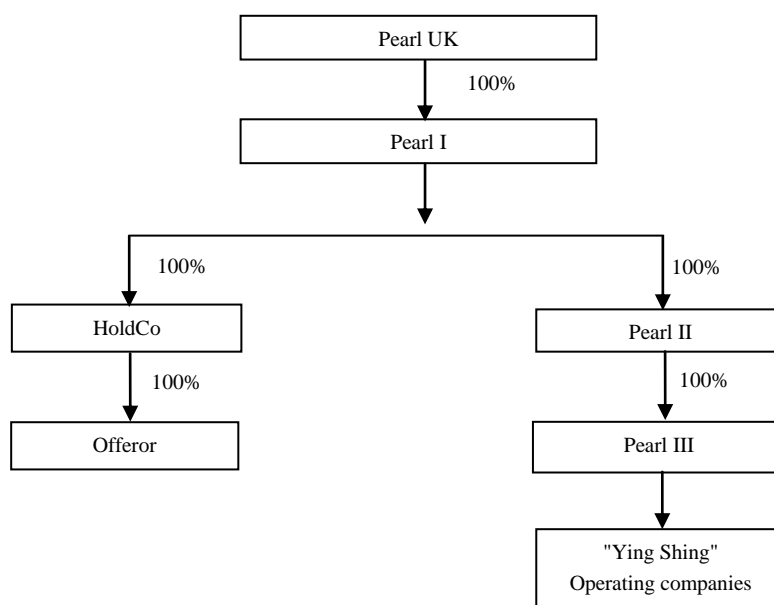
95.6%, 76.5%, 63.6%, and 46.9% over the VWAP of the Shares over the 12, 6, 3 and 1-month periods, respectively, up to and including 4 April 2017.



Please refer to **paragraph 9** of this Joint Announcement for further details on the financial evaluation of the Scheme Consideration.

8.3 Future Plans. Following completion of the Acquisition, it is intended that the Offeror will merge with Pearl Holding III Limited ("**Pearl III**"), following which the merged entity will be an indirect wholly-owned subsidiary of Pearl UK and a member of the Pearl Group (as defined below).

As at the Joint Announcement Date, all of the shares in Pearl III are owned by Pearl Holding II Limited ("**Pearl II**"), a wholly-owned subsidiary of Pearl I, which is in turn wholly-owned by Pearl UK. A shareholding chart setting out the relationship among the Offeror, HoldCo, Pearl UK, Pearl I, Pearl II and Pearl III is set out below.



The subsidiaries of Pearl III, which include Ying Shing Enterprises Limited, are operating companies engaged in the business of providing customized manufacturing of high volume

plastic injection moulded and insert-moulded components for consumer, automotive, industrial and other end-markets. Collectively, Pearl UK, Pearl I, Pearl II, Pearl III and the subsidiaries of Pearl III (the "**Pearl Group**") has differentiated capabilities in designing and manufacturing plastic injection moulds for customers globally. Further details on the Pearl Group will be set out in the Scheme Document.

The directors of the Offeror retain the flexibility at any time to consider any options and commercial and operational opportunities which may present themselves and which they may regard to be in the interests of the Offeror. Save as set out in this **paragraph 8.3**, the Offeror currently has no intention of (a) making material changes to the existing businesses, (b) re-deploying the fixed assets, or (c) discontinuing the employment of the existing employees of the Group, subject to commercial and operational considerations including with respect to any synergies that may be realised through such merger.

9. FINANCIAL EVALUATION OF THE SCHEME CONSIDERATION

9.1 The Scheme Consideration for each Share is **S\$3.02 in cash**.

The figures set out in this **paragraph 9** are based on data extracted from Bloomberg L.P. after the close of trade on the Joint Announcement Date.

9.2 The implied premium of the Scheme Consideration over the relevant closing prices and VWAP of the Company is as follows:

	Share Price ⁽⁴⁾ (S\$)	Premium to Share Price (%)
12-month VWAP⁽¹⁾ to 4 April 2017⁽²⁾	1.544	95.6%
6-month VWAP⁽¹⁾ to 4 April 2017⁽²⁾	1.711	76.5%
3-month VWAP⁽¹⁾ to 4 April 2017⁽²⁾	1.846	63.6%
1-month VWAP⁽¹⁾ to 4 April 2017⁽²⁾	2.056	46.9%
Closing price on 4 April 2017⁽²⁾	2.300	31.3%
Closing price on 27 July 2017⁽³⁾	2.700	11.9%

Notes:

- (1) VWAP is calculated as the total traded value of the Shares divided by the total volume of Shares traded, based on data extracted from Bloomberg L.P.

- (2) Being the last trading day immediately prior to the Holding Announcement Date.
- (3) Being the Joint Announcement Date.
- (4) Based on data extracted from Bloomberg which shows prices adjusted to reflect any changes in the share capital of the Company. Rounded to the nearest three decimal places.

10. APPROVALS REQUIRED

10.1 Scheme Meeting and Court Sanction. The Scheme will require, *inter alia*, the following approvals:

10.1.1 the approval of the Scheme by a majority in number of the Shareholders representing not less than three-fourths in value of the Shares held by the Shareholders present and voting either in person or by proxy at the Scheme Meeting; and

10.1.2 the sanction of the Scheme by the Court.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement and a copy of the order of the Court sanctioning the Scheme has been lodged with the Accounting and Corporate Regulatory Authority in Singapore ("ACRA").

10.2 SIC Confirmations. Pursuant to the Application, the SIC has confirmed on 14 July 2017, *inter alia*, that:

10.2.1 the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:

- (i) the common substantial shareholders of the Offeror, HoldCo and their concert parties and the Company, if any, abstain from voting on the Scheme;
- (ii) Platinum, the Offeror, HoldCo and/or their concert parties abstain from voting on the Scheme;
- (iii) the directors of the Company who are also directors of the Offeror and its concert parties, if any, abstain from making a recommendation on the Scheme to the Shareholders;
- (iv) the Company appoints an independent financial adviser to advise the Shareholders on the Scheme;
- (v) the Scheme Document containing advice to the effect that by voting for the Scheme, the Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control on the Company without having to make a general offer for the Company; and
- (vi) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the latest practicable date in relation to the Scheme Document and their voting rights in the Company after the Scheme; and

10.2.2 it has no objections to the Scheme Conditions.

11. FINANCIAL ADVISERS

11.1 Financial Adviser to the Offeror. Goldman Sachs (Singapore) Pte. is the financial adviser to the Offeror (the "**Offeror Financial Adviser**") in respect of the Acquisition and the Scheme.

11.2 Independent Financial Adviser to the Independent Directors. Provenance Capital Pte. Ltd. has been appointed as the independent financial adviser (the "**IFA**") to the directors of the Company who are considered independent for the purposes of the Scheme (the "**Independent Directors**") 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 along with the advice of the IFA (the "**IFA Opinion**"), will be included in the Scheme Document.

12. CONFIRMATION OF FINANCIAL RESOURCES

The Offeror Financial Adviser confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Scheme Consideration payable by the Offeror for all the Shares to be acquired by the Offeror pursuant to the Scheme.

13. SCHEME DOCUMENT

13.1 Scheme Document. The Scheme Document containing full details of the Scheme (including the recommendation of the Independent Directors along with the IFA Opinion) and giving notice of the Scheme Meeting to approve the Scheme will be despatched to the Shareholders in due course.

The Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors on the Scheme as well as the advice of the IFA set out in the Scheme Document.

Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

14. DISCLOSURE OF INTERESTS

14.1 Company. As at the Joint Announcement Date, the interests in Shares held by the directors of the Company are set out below:

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors				
TCK	-	-	31,257,133 ⁽²⁾	56.06
Ng Boon Yew	30,000	0.05	-	-
CKW	360,000	0.65		

Notes:

- (1) All references to percentage shareholding of the issued share capital of the Company in this **paragraph 14.1** of this Joint Announcement are based on the total issued Shares (excluding treasury shares) as at the Joint Announcement Date.
- (2) TCK is deemed to have an interest in the Shares through his interest in Harmony, which Shares are in turn held through a sub-account maintained by a depository agent, being CIMB Securities (Singapore) Pte Ltd.

Save as disclosed in this Joint Announcement, no director or controlling Shareholder of the Company has any interest in the Scheme (other than by reason only of being a director or Shareholder of the Company). As disclosed in this Joint Announcement, the Undertaking Shareholders have given the Deed of Undertakings.

14.2 Offeror

14.2.1 **No Holdings.** As at the Joint Announcement Date, none of the Offeror, HoldCo, the directors of each of the Offeror and HoldCo and the Offeror Financial Adviser (the "**Relevant Persons**") owns, controls or has agreed to acquire any (i) Shares, (ii) securities which carry voting rights in the Company and (iii) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company (collectively, the "**Relevant Securities**").

14.2.2 **Other Arrangements.** The Shares acquired by the Offeror pursuant to the Acquisition will be charged in favour of the security agent of the financing arrangements for the Acquisition as security for, *inter alia*, such financing arrangements.

Save as aforesaid, neither the Offeror nor the other Relevant Persons has (i) granted a security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise, (ii) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold) or (iii) lent any Relevant Securities to another person.

14.2.3 **Confidentiality.** In the interests of confidentiality, save for the Relevant Persons, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with it in connection with the Scheme. Similarly, in the interests of confidentiality, the Offeror Financial Adviser has not made any enquiries in respect of the other members of its group. Further enquiries will be made of such persons subsequent to this Joint Announcement and the relevant disclosures will be made in due course and in the Scheme Document.

15. OVERSEAS SHAREHOLDERS

The applicability of the Scheme to Shareholders whose addresses are outside Singapore, as shown on the Register of Members or, as the case may be, in the records of The Central Depository (Pte) Limited (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the Offeror reserves the right not to send such documents to the Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including the Overseas Shareholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

Overseas Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.

Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

16. DOCUMENTS FOR INSPECTION

Copies of the Implementation Agreement and the Deeds of Undertaking will be made available for inspection during normal business hours at the registered office of the Company from the Joint Announcement Date up until the Effective Date.

17. RESPONSIBILITY STATEMENTS

- 17.1 Company.** The directors of the Company (including any who may have delegated detailed supervision of the preparation of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Joint Announcement which relate to the Company (excluding information relating to the Offeror, HoldCo and/or Platinum or any opinion expressed by the Offeror, HoldCo and/or Platinum) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Joint Announcement, and the directors of the Company jointly and severally accept responsibility accordingly.

Where any information which relates to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, HoldCo and/or Platinum, the sole responsibility of the directors of the Company has been to ensure that, through reasonable inquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of the Company do not accept any responsibility for any information relating to the Offeror, HoldCo and/or Platinum or any opinion expressed by the Offeror, HoldCo and/or Platinum.

- 17.2 Offeror.** The directors of each of the Offeror and HoldCo (including any who may have delegated detailed supervision of the preparation of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Joint Announcement (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 Joint Announcement, and the directors of each of the Offeror and HoldCo 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 Company, the sole responsibility of the directors of each of the Offeror and HoldCo has been to ensure that, through reasonable inquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of each of the Offeror and HoldCo do not accept any responsibility for any information relating to, or any opinion expressed by, the Company.

27 July 2017

By order of the board of directors

FISCHER TECH LTD

By order of the board of directors

FT HOLDING II LIMITED

Any queries relating to this Joint Announcement, the Acquisition or the Scheme should be directed to one of the following:

Fischer Tech Ltd

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3 Ang Mo Kio Street 62
#02-08 LINK@AMK
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FT Holding II Limited

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1 Raffles Link
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Forward-looking Statements

All statements other than statements of historical facts included in this Joint Announcement 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" 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 described in such forward-looking statements. Shareholders and investors of the Offeror and the Company should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Company undertakes any obligation to update publicly or revise any forward-looking statements.

SCHEDULE 1

SCHEME CONDITIONS

All capitalised terms used and not defined in this Joint Announcement shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the Joint Announcement Date up to the Effective Date.

The Acquisition is conditional upon the following:

1. **Shareholders' Approval:** the Shareholders having approved the Scheme at the Scheme Meeting in accordance with the requirements of section 210(3AB) of the Companies Act;
2. **Court Order:** the Court having granted the Court Order and such Court Order having become final;
3. **Lodgement with ACRA:** the Court Order having been lodged with ACRA pursuant to section 210(5) of the Companies Act;
4. **Regulatory Approvals:** the following Regulatory Approvals having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to the Relevant Date, and (X) if any such Regulatory Approval (other than the Antitrust Approvals) is subject to any conditions or requires any actions or obligations to be taken or performed, all such conditions being reasonably acceptable to the Parties and all such actions and obligations in respect of such Regulatory Approvals having been duly taken or performed on or prior to the first application to the Court for the order to convene the Scheme Meeting, and (Y) if any of the Antitrust Approvals is subject to any conditions or requires any actions or obligations to be taken or performed, all such conditions being reasonably acceptable to the Party affected by such condition imposed and all such actions and obligations in respect of such Regulatory Approvals having been duly taken or performed on or prior to the Relevant Date:
 - (a) confirmation from the SIC that:
 - (i) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code shall not apply to the Scheme, subject to any conditions the SIC may deem fit to impose;
 - (ii) it has no objections to the Scheme Conditions; and
 - (iii) subject to any conditions that the SIC may deem fit to impose, confirmation that each of the Undertaking Shareholders giving the Deeds of Undertakings would be permitted to attend and vote at the Scheme Meeting,

it being acknowledged by the Parties that such confirmations have been obtained as at the date of the Implementation Agreement;

- (b) approval-in-principle from the SGX-ST for the Scheme, the Scheme Document and the proposed delisting of the Company from the SGX-ST;
- (c) insofar as the consummation of the Acquisition triggers a mandatory merger control filing requirement under the German Act Against Restraints of Competition ("**GAARC**"), a filing having been made to and accepted by the German Federal Cartel Office ("**FCO**") pursuant to the GAARC and FCO having issued a decision confirming that it will not conduct further review of the Acquisition or allowing the consummation of the Acquisition without conditions or on conditions reasonably satisfactory to the Party affected by such condition imposed, or all applicable waiting periods under the GAARC in respect of the review of the Acquisition having expired; and
- (d) insofar as the consummation of the Acquisition triggers a mandatory merger control filing requirement under the Estonian Competition Act ("**EC Act**"), a filing having been made to and accepted by the Estonian Competition Authority ("**EC Authority**") pursuant to the EC Act and the EC Authority having issued a decision of no-jurisdiction or confirming that it will not conduct further review of the Acquisition or allowing the consummation of the Acquisition without conditions or on conditions reasonably satisfactory to the Party affected by such condition imposed, or all applicable waiting periods under the EC Act in respect of the review of the Acquisition having expired;

5. Authorisations: in relation to:

- (a) the Company (in addition to the approvals and steps referred to in paragraphs 1, 2, 3 and 4 of **Schedule 1** to this Joint Announcement (other than the Antitrust Approvals)), all other authorisations, consents, clearances, permissions and approvals as are necessary or required by the Company under any and all applicable laws from all Governmental Agencies, for or in respect of the Acquisition or implementation of the Scheme being obtained; and
- (b) the Offeror (in addition to the approvals and steps referred to in paragraph 4 of **Schedule 1** to this Joint Announcement, including the Antitrust Approvals), all other authorisations, consents, clearances, permissions and approvals as are necessary or required by the Offeror under any and all applicable laws from all Governmental Agencies, for or in respect of the Acquisition or implementation of the Scheme being obtained,

and such authorisations, consents, clearances, permissions and approvals not having been withdrawn or revoked on or prior to the first application to the Court for the order to convene the Scheme Meeting and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to the Relevant Date;

6. Consents and Waivers: the receipt of:

- (a) all authorisations, consents, clearances, permissions, waivers and approvals as are necessary or required by the Company from the Major Customers for or in respect of the implementation of the Scheme and/or the Acquisition; and
- (b) all authorisations, consents, clearances, permissions, waivers and approvals as are necessary or required by the Company from the counterparties to the Existing Facility Agreements for or in respect of the implementation of the Scheme and/or the Acquisition and/or the repayment of all outstanding amounts under, or the termination of, such Existing Facility Agreements which contain restrictions on change in control,

and all such authorisations, consents, clearances, permissions, waivers and approvals not having been withdrawn or revoked for any reason whatsoever as at the Relevant Date;

7. No Prescribed Occurrence: between the Joint Announcement Date and up to the Relevant Date:

- (a) no Prescribed Occurrence set out in Part I of **Schedule 2** having occurred in relation to the Offeror; and
- (b) no Prescribed Occurrence set out in Part II of **Schedule 2** having occurred in relation to the Company or, where applicable, any Subsidiary;

8. No Legal or Regulatory Restraint: between the date of the Implementation Agreement and up to the Relevant Date, no order, injunction, judgment or decree having been issued by any Governmental Agency or by any court of competent jurisdiction, or other legal or regulatory restraints, prohibition or condition having arisen (including any enactment of any applicable law or regulation), which would or would be reasonably likely to prevent or render unlawful the consummation of the Acquisition or implementation of the Scheme or proposed transactions relating to the Scheme, being in effect;

9. Company's Representations, Warranties and Covenants:

- (a) there having been no breach by the Company of the Warranties set out in Part II of Schedule 2 of the Implementation Agreement as at the date of the Implementation Agreement and the Relevant Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has, individually or taken together with any other breaches, resulted in a Material Adverse Effect and is material in the context of the Scheme; and
- (b) the Company having, as at the Relevant Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Relevant Date;

10. Offeror Representations, Warranties and Covenants:

- (a) there having been no breach by the Offeror of the Warranties set out in Part I of Schedule 2 of the Implementation Agreement as at the date of the Implementation Agreement and the Relevant Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has, individually or taken together with any other breaches, resulted in a material adverse effect on the business of the Offeror (taken as a whole) and is material in the context of the Scheme; and
- (b) the Offeror having, as at the Relevant Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Relevant Date;

11. No Material Adverse Effect: there having been no event occurring since the date of the Implementation Agreement which has or is reasonably likely to have the effect of causing a diminution in the consolidated net tangible asset value of the Group to an amount below S\$90,656,100, as reflected in or computed from the later of:

- (a) the Latest Accounts; and
- (b) the consolidated unaudited management balance sheet (to be prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the Accounts applied on a consistent basis) as at the calendar month ending at least 15 days immediately prior to the Relevant Date,

("Material Adverse Effect"), provided that any diminution or increase in the value of any asset or liability arising from currency translation shall not be taken into account and the following shall also not be considered in determining whether a Material Adverse Effect has occurred: (i) any diminution resulting from events affecting the economy in general, the foreign exchange market or the industries in which the Group Companies engage in the Business; (ii) any diminution resulting from changes in legal or regulatory requirements that affect in general the businesses in which the Group is engaged; or (iii) any diminution arising from the payment of the Dividends. For the avoidance of doubt, the consolidated net tangible asset value of the Group shall mean net assets excluding intangible assets, goodwill, land use right and minority interests; and

12. Major Customers: between the date of the Implementation Agreement and the Relevant Date, there being no loss of any Major Customer or any written notice given by any Major Customer indicating that it wishes to cease being a customer of the Group. For the purpose of the Implementation Agreement, a "**Major Customer**" refers to a major customer that had, together with such customer's contract manufacturers, contributed (in aggregate) ten per cent. (10%) or more to the gross revenue of the Group for the financial period ended on the Accounts Date as shown in the Accounts. For the avoidance of doubt, an individual contract manufacturer is not deemed to be a Major Customer for the purposes of the Implementation Agreement.

SCHEDULE 2

PRESCRIBED OCCURRENCES

For the purposes of the Implementation Agreement, a "**Prescribed Occurrence**", as referred to in paragraphs 4.2.1, 4.2.2, 5.2.2 and 5.2.3 of this Joint Announcement and defined in the Implementation Agreement, means (i) in relation to the Offeror, the matters set out in Part I of this Schedule, and (ii) in relation to the Company (or its subsidiaries as applicable), the matters set out in Part II of this Schedule:

PART I: THE OFFEROR

1. **Injunction:** an injunction or other order issued against the Offeror by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by either the Company or the Offeror;
2. **Resolution for Winding-Up:** the Offeror resolving that it be wound up;
3. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of the Offeror;
4. **Order of Court for Winding-Up:** the making of an order by a court of competent jurisdiction for the winding up of the Offeror;
5. **Composition:** the Offeror entering into any arrangement or general assignment or composition for the benefit of its creditors generally;
6. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Offeror;
7. **Insolvency:** the Offeror becoming or being deemed by law or a court to be insolvent or being unable to pay its debts when they fall due or stopping or suspending or threatening to stop or suspend payment of its debts;
8. **Investigations and Proceedings:** if the Offeror or any of its directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
9. **Analogous Event:** any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

PART II: THE COMPANY AND ITS SUBSIDIARIES

1. **Conversion of Shares:** the Company converting all or any of its Shares into a larger or smaller number of shares;
2. **Share Buy-back:** the Company entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Companies Act or the equivalent companies or securities legislation;

3. **Alteration of Share Capital:** the Company resolving to reduce or alter its share capital in any way;
4. **Allotment of Shares:** the Company making an allotment of, or granting an option to subscribe for, any shares or securities convertible into shares or agreeing to make such an allotment or to grant such an option or convertible security (or any Subsidiary doing any of the foregoing with respect to its own securities);
5. **Issuance of Debt Securities:** the Company (or any Subsidiary) issuing, or agreeing to issue, convertible notes or other debt securities;
6. **Dividends:** save for the payment of the Dividends, the Company declaring, making or paying any dividends or any other form of distribution to its Shareholders;
7. **Injunction:** an injunction or other order issued against the Company by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by either the Company or the Offeror;
8. **Resolution for Winding-Up:** the Company (or any Subsidiary) resolving that it be wound up;
9. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of the Company (or of any Subsidiary);
10. **Order of Court for Winding-Up:** the making of an order by a court of competent jurisdiction for the winding-up of the Company (or of any Subsidiary);
11. **Composition:** the Company (or any Subsidiary) entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
12. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Company (or of any Subsidiary);
13. **Insolvency:** the Company (or any Subsidiary) becoming or being deemed by law or a court to be insolvent or being unable to pay its debts when they fall due or stopping or suspending or threatening to stop or suspend payment of its debts;
14. **Cessation of Business:** the Company (or any Subsidiary) ceases or threatens to cease for any reason to carry on the Business in the ordinary and usual course;
15. **Investigations and Proceedings:** if the Company (or any Subsidiary) or any of their respective directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
16. **Analogous Event:** any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

SCHEDULE 3

SPECIFIC OBLIGATIONS

1. **Joint Announcement:** the release of the Joint Announcement jointly with the Offeror on the SGX-ST on the Joint Announcement Date;
2. **IFA:** as soon as reasonably practicable after the date of the Implementation Agreement, the Company will appoint an IFA to advise the Independent Directors in connection with the Scheme;
3. **Recommendation:** the Company shall use its best endeavours to procure that all of its Independent Directors will unanimously and without qualification recommend to the Entitled Shareholders to vote in favour of the Scheme at the Scheme Meeting, and will not withdraw, modify or qualify such recommendation, subject to and without prejudice to the Independent Directors' fiduciary duties and compliance with all applicable laws and regulations. For the avoidance of doubt, nothing in this paragraph 3 shall be construed as requiring the Company to act, or to procure its Independent Directors to act, or to refrain from acting, in any manner which may be in breach of their fiduciary duties or any applicable laws or regulations;
4. **Antitrust Approvals:** subject and without prejudice to the Company's legal or regulatory obligations and each Group Company's directors' fiduciary duties, the Company will promptly co-operate with and provide all necessary information and assistance as the Offeror may reasonably require in connection with the making of the applications for the Antitrust Approvals;
5. **Scheme Document:** the Company will prepare the Scheme Document (other than the Scheme Letter which shall form part of the Scheme Document, which the Offeror will prepare, and the IFA Opinion, which will form part of the Scheme Document, which the Company will instruct the IFA to prepare) and all other documents which are required to be prepared and circulated by it in connection with the Scheme and to carry into effect the Implementation Agreement, in each case, in consultation with the Offeror and in accordance with all applicable laws and regulations, including the Code, and despatch the same;
6. **SGX-ST Clearance:** as soon as reasonably practicable after the date of the Implementation Agreement, the Company will file the draft Scheme Document (in such form and substance as may be approved by the Offeror in its reasonable discretion, such approval not to be unreasonably withheld or delayed) with the SGX-ST for clearance and diligently seek the SGX-ST's clearance promptly in consultation with the Offeror;
7. **Scheme Meeting:** subject to obtaining the approval of the SGX-ST, the Company will (i) apply to the Court for an order under section 210 of the Companies Act convening the Scheme Meeting and for any ancillary orders relating thereto (all such applications and orders, including the originating summons for the Scheme, to be in such form and substance as may be approved by the Offeror in its reasonable discretion, such approval not to be unreasonably withheld or delayed), (ii) diligently pursue such application so as to obtain the Court's order to convene the Scheme Meeting and other necessary ancillary orders and (iii) convene the Scheme Meeting;

8. **Despatch of Documents:** subject to obtaining the approval of the SGX-ST and the Court's order under section 210 of the Companies Act convening the Scheme Meeting, the Company will, or will cause its share registrar to, despatch to the Shareholders the Scheme Document and appropriate forms of proxy for use at the Scheme Meeting;
9. **Consents and Waivers:** the Company will prepare all necessary documents to obtain the authorisations, consents, clearances, permissions, waivers and approvals referred to in paragraph 6 of **Schedule 1** to this Joint Announcement from the relevant counterparties;
10. **Court Order:** subject to the Scheme being approved by the requisite majority of the Shareholders at the Scheme Meeting, the Company will apply to the Court for the Court Order and for any ancillary orders relating thereto (all such applications and affidavits in support thereof to be in such form and substance as may be approved by the Offeror in its reasonable discretion, such approval not to be unreasonably withheld or delayed) within such time frames as shall be agreed between the Parties in writing to obtain the sanction and confirmation of the Scheme by the Court;
11. **ACRA Lodgement:** following the grant of the Court Order, the Company will deliver the same to ACRA for lodgement pursuant to section 210(5) of the Companies Act within such time frame as shall be agreed between the Parties;
12. **Directors' Responsibility:** the Company will ensure that its directors shall take responsibility for all information included in the Scheme Document (other than, *inter alia*, information relating to the Offeror and its concert parties provided by or on behalf of the Offeror to the Company for inclusion in the Scheme Document) as required by all applicable laws and regulations, including the Code, the Listing Rules and the Companies Act;
13. **Consultation with the Offeror:** subject and without prejudice to the Company's legal or regulatory obligations and each Group Company's directors' fiduciary duties, the Company will, and will use reasonable endeavours to procure that all other Group Companies and their respective officers, employees, agents, representatives and advisers ("**Representatives**") will, consult in good faith with the Offeror with a view to providing the Offeror with access to information which it reasonably requires in relation to or in connection with the Acquisition or the Scheme and to facilitate the timely notification of material matters affecting the respective businesses of each Group Company to the Offeror;
14. **Provision of Information:** subject and without prejudice to the Company's legal or regulatory obligations and each Group Company's directors' fiduciary duties, from the date of the Implementation Agreement up to (and including) the Relevant Date the Company will, and will procure that all other Subsidiaries will, authorise and direct their respective Representatives and auditors to provide reasonable assistance and to co-operate with the Offeror as the Offeror may reasonably request for the completion of the Acquisition and the implementation of the Scheme;
15. **No Action:** subject to any legal or regulatory obligations or fiduciary duties that the directors of the Company may be subject to (including the making of recommendations by the

Independent Directors), the Company will not take any action which may be prejudicial to the completion of the Acquisition or the implementation of the Scheme;

- 16. Conduct of Business by Group Companies:** during the period from the date of the Implementation Agreement up to (and including) the Relevant Date the Company will, and will procure that the other Group Companies will, carry on the Business in the ordinary and usual course of business, save insofar as reasonably agreed in writing by the Offeror;
- 17. Normal Dealing:** the Company shall not (and shall procure that each Group Company shall not) without prior written consent of the Offeror (such consent not to be unreasonably withheld or delayed):
- (a) modify, amend or waive the terms of any contract or agreement entered into between a Group Company and any Major Customer and in force as at the date of the Implementation Agreement which would have a material adverse effect on the financial position of the Group as a whole;
 - (b) enter into, or exercise an option in relation to, any agreement or incur any commitment involving any capital expenditure in excess of S\$500,000 in aggregate, in each case exclusive of GST, save for the capital expenditure items set out in the Disclosure Letter;
 - (c) acquire or dispose of any assets (other than in the ordinary course of business), shares or other interests in any company, partnership or other venture or enter into any agreement or arrangement (whether conditional or otherwise) in relation to any of the foregoing;
 - (d) except pursuant to the Existing Facility Agreements, incur any additional borrowings or incur any other indebtedness (other than indebtedness in the ordinary and usual course of business, which, for the avoidance of doubt, shall not include any borrowings from banks or other financial institutions);
 - (e) amend, to any material extent, any of the terms on which goods or services are supplied which would have a material adverse effect on the financial position of the Group as a whole;
 - (f) save as required by law or regulation:
 - (i) make any amendment to the terms and conditions of employment (including remuneration, pension entitlements and other benefits) of any Key Management Personnel;
 - (ii) provide or agree to provide any gratuitous payment or benefit to any such person or any of his dependants;
 - (iii) make any payments of management or consultancy fees to any person (other than (i) payments in the ordinary and usual course of business and (ii) payments of management or consultancy fees to any person under existing

management or consultancy agreements entered into by any Group Company as Disclosed in the Disclosure Letter); or

- (iv) dismiss any Key Management Personnel other than for cause;
- (g) except pursuant to the Existing Facility Agreements, enter into any guarantee, indemnity or other agreement to secure any obligation of a third party that is not a Group Company or create any Encumbrance over the Business or assets of any Group Company otherwise than in the ordinary and usual course of business of the Group;
- (h) settle any claim, counterclaim, legal action, suit, litigation, mediation or arbitration proceedings, whether as claimant or defendant (collectively, the "**Claims**"), if such settlement will result in a cash outflow for the relevant Group Company of S\$500,000 or more (inclusive of litigation costs), whether individually or in aggregate with all other Claims in relation to the Group;
- (i) enter into or amend the terms of any transaction with any shareholder, chief executive officer and/or director of any Group Company and/or any of their respective associates (as that term is defined under the Listing Rules) otherwise than in the usual and ordinary course of the business of the Group;
- (j) sell, transfer or otherwise dispose of any treasury shares of the Company to any person (whether under the Company Share Plan or otherwise); and/or
- (k) save as where required by applicable law or regulation, make any change to its accounting practices or policies or amend its constitution, bye-laws and/or memorandum and articles of association; and

18. Deal Protection: during the No-Shop Period, the Company shall:

- (a) not, and shall procure that its Representatives, each other Group Company and its respective Representatives shall not, except with prior written consent of the Offeror, directly or indirectly, solicit, encourage, initiate, induce or entertain approaches or participate in or enter into discussions regarding any Competing Offer or any other transaction (including allowing any third party to perform due diligence investigations on any Group Company) which would or is reasonably likely to preclude, interfere with or prejudice the Acquisition and/or the Scheme;
- (b) notify the Offeror of the details of any approach or solicitations by any third party made in writing either to the Company or any other Group Company with a view to the making of any such offer, merger or sale upon becoming aware of the relevant matter; and
- (c) deal exclusively with the Offeror to complete the Acquisition and/or the Scheme,

provided that nothing in the foregoing prevents the Company from providing such information to any *bona fide* third party in compliance with Rule 9.2 of the Code, or prevents the Company from making or continuing to make, by and on behalf of any Group Company,

normal presentations to brokers, portfolio investors and analysts in the ordinary and usual course in relation to its business generally, or prevents the provision of information by or on behalf of the Company to the SGX-ST.

For the avoidance of doubt, nothing in this paragraph 18 shall prohibit or restrict the Company from receiving any unsolicited or uninitiated expression of interest, offer or proposal of a kind referred to in this paragraph 18. In the event any Group Company or any of its directors receive any notice of a Competing Offer, the Company shall be entitled to:

- (i) announce such a Competing Offer insofar as such announcement is required under the Listing Rules or the Code;
- (ii) enter into discussions or negotiations or otherwise entertain such expressions of interest, offer or proposal;
- (iii) make any recommendation or refrain from making any recommendation to the Shareholders as the directors of the Company may deem fit, pursuant to their fiduciary duties, in respect of such Competing Offer; and
- (iv) generally perform all such acts as may be necessary for the directors of the Company to comply with and discharge their fiduciary duties owed to the Company and the Shareholders, and statutory, regulatory and/or legal obligations that they may be subject to under all applicable laws and regulations (including but not limited to their obligations under the Code),

provided that, in each instance, the Board has determined in good faith and acting reasonably (after having obtained written advice from its legal advisers) that a failure to do any of the foregoing would constitute a breach of the Listing Rules, the requirements of the SGX-ST, the Code or any applicable laws or regulations (including the fiduciary obligations of the directors of the Company).

SCHEDULE 4
UNDERTAKING SHAREHOLDERS

S/N	Name of Shareholder	Number of Shares Owned	Number of Shares Owned as a Percentage of the Total Number of Shares⁶
1.	Harmony ⁷	31,257,133	56.06%
2.	Univac Precision Engineering Pte Ltd	10,466,666	18.77%
3.	CKW	360,000	0.65%

⁶ Based on 55,760,986 Shares as at the Joint Announcement Date.

⁷ Harmony's Shares are held through a sub-account maintained by a depository agent, being CIMB Securities (Singapore) Pte Ltd.