
JOINT ANNOUNCEMENT

**DIRECTED DELISTING OF AND PROPOSED EXIT OFFER FOR
TEXCHEM-PACK HOLDINGS (S) LTD.**

1. INTRODUCTION

- 1.1. On 5 March 2012, Texchem-Pack Holdings (S) Ltd. (the “**Company**”) was placed on the Watch-List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rule 1311 of the Listing Manual of the SGX-ST (the “**Listing Manual**”).
- 1.2. On 5 March 2014, the Company received from the SGX-ST a notification of delisting (the “**Delisting Notification**”) as the Company had not met the SGX-ST’s requirements under Rule 1314 of the Listing Manual for its removal from the Watch-List. In the Delisting Notification, the SGX-ST requested that the Company inform the SGX-ST of its exit offer proposal no later than one month from 5 March 2014.
- 1.3. As announced on 3 June 2014, the SGX-ST granted the Company an extension of time until 7 October 2014 to inform the SGX-ST of its exit offer proposal. Subsequently, as announced on 7 October 2014 and 25 June 2015, the SGX-ST granted the Company further extensions of time until 7 April 2015 and 7 August 2015 respectively to inform the SGX-ST of its exit offer proposal.
- 1.4. The Company and Texchem Resources Bhd. (the “**Offeror**”) wish to announce that on 5 August 2015 the Offeror had presented to the directors of the Company a formal proposal (the “**Proposal**”) to make an exit offer to the shareholders of the Company (the “**Shareholders**”) pursuant to Rules 1306 and 1309 of the Listing Manual.
- 1.5. Under the Proposal, the Offeror will make an exit cash offer (the “**Exit Offer**”) to acquire all the issued ordinary shares in the capital of the Company (the “**Shares**”), other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer (the “**Offer Shares**”, each an “**Offer Share**”).
- 1.6. An exit offer letter (the “**Exit Offer Letter**”) containing the terms of the Exit Offer together with the appropriate form(s) for acceptance of the Exit Offer (the “**Acceptance Forms**”) will be despatched by the Offeror to the Shareholders in due course. Upon receipt, Shareholders are advised to read the Exit Offer Letter and the accompanying forms carefully.

2. LISTING MANUAL PROVISIONS ON THE DELISTING AND EXIT OFFER

- 2.1. Under Rule 1306 of the Listing Manual, if the SGX-ST exercises its power to remove an issuer from the Official List of the SGX-ST, the issuer or its controlling

shareholder(s) must comply with the requirements of Rule 1309 of the Listing Manual. As mentioned in paragraph 1.2 above, on 5 March 2014, the Company received the Delisting Notification from the SGX-ST directing the delisting of the Company from the Official List of the SGX-ST pursuant to Rule 1315 of the Listing Manual.

2.2. Under Rule 1309 of the Listing Manual, if the Company is seeking to delist from the Official List of the SGX-ST:

- (a) a reasonable exit alternative, which should normally be in cash, should be offered to the Shareholders and holders of any other classes of listed securities to be delisted; and
- (b) the Company should normally appoint an independent financial adviser to advise on the Exit Offer.

3. TERMS OF THE EXIT OFFER

3.1. Under the terms of the Exit Offer, the Offeror will make the Exit Offer at the exit offer price of S\$0.105 in cash for each Offer Share (the “**Offer Price**”).

3.2. The Exit Offer will be extended to all the Offer Shares and the Offer Price is applicable to all Offer Shares tendered in acceptance. Shareholders may accept the Exit Offer in full or in part of their holdings of Offer Shares.

3.3. The Exit Offer will be unconditional in all respects. **For the avoidance of doubt, the Exit Offer will not be conditional upon a minimum number of acceptances being received by the Offeror and the Offer Price will not be revised except as mentioned in paragraph 3.4 below.**

3.4. The Offer Shares are to be acquired (a) fully-paid, (b) free from all liens, equities, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (c) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement (the “**Joint Announcement Date**”) and thereafter attaching thereto (including all voting rights and the right to receive and retain all dividends, rights, distributions, returns of capital and other distributions (if any) which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date together with all interest accrued thereon). If any dividend, right, distribution, return of capital or any other entitlement is announced, declared, paid or made on or after the Joint Announcement Date to a Shareholder who accepts or has accepted the Exit Offer, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, right, distribution, return of capital or any other entitlement.

3.5. Subject to the confirmation of the Securities Industry Council (the “**SIC**”) as set out in paragraph 5 below, the Exit Offer will be open for acceptance by Shareholders for a period of at least 28 days after the date of despatch of the Exit Offer Letter.

4. INFORMATION ON THE OFFEROR AND THE COMPANY

4.1. **Offeror.** The Offeror is the ultimate holding company of the Company and was incorporated in Malaysia with Company Registration Number 16318-K with its registered office at Level 18, Menara Boustead Penang, 39 Jalan Sultan Ahmad Shah, 10050 Penang, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The

principal activities of the Offeror are those of an investment holding company. As at the Joint Announcement Date, the Offeror has an authorised share capital of RM500,000,000 and an issued and paid-up share capital of RM124,099,235 comprising 124,099,235 ordinary shares of RM1.00 each (the “**TRB Shares**”). As at the Joint Announcement Date, the single largest shareholder of the Offeror is Texchem Holdings Sdn. Bhd. (“**Texchem Holdings**”) which holds 47,872,072 TRB Shares representing approximately 38.58% of the total issued and paid-up share capital of the Offeror, and the majority shareholder of Texchem Holdings is Tan Sri Dato’ Seri (Dr.) Fumihiko Konishi, who owns the entire issued share capital of Texchem Holdings save for 20 shares held by his wife.

The directors of the Offeror (the “**Offeror Directors**”) are Tan Sri Dato’ Seri (Dr.) Fumihiko Konishi, Brian Tan Guan Hooi, Wong Kin Chai, Yap Kee Keong, Dato’ Seri Nazir Ariff Bin Mushir Ariff, Danny Goon Siew Cheang and Zarizana @ Izana Binti Abdul Aziz.

- 4.2. **The Company.** The Company was incorporated in the Republic of Singapore on 27 August 2003 and is listed on the Main Board of the SGX-ST on 2 November 2006. The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are those relating to the manufacture and sale of thermoformed packaging products, precision injection moulded plastic products, extruded sheets, embossed carrier tapes and polymer compounds, design, manufacture and sale of flexo photo-polymer and flexographic printing plants, and provision of consulting services.

As at the Joint Announcement Date, the board of directors of the Company (the “**Directors**”) comprise the following:

Brian Tan Guan Hooi	Executive Chairman
Yap Kee Keong	President & Chief Executive Officer
Dr. Yuma Konishi	Non-Executive Director
Soh Chiaw Guan	Non-Executive Director
Ang Cheng Gian, Eric	Independent Non-Executive Director
Kim Seah Teck Kim	Independent Non-Executive Director

As at the Joint Announcement Date:

- (a) the issued and paid-up share capital of the Company is S\$26,912,015 comprising 138,715,562 Shares and there are no Shares held as treasury shares;
- (b) the Company has not issued any instruments convertible into, rights to subscribe for, nor options (whether pursuant to an employee share option scheme or otherwise) in respect of, securities which carry voting rights of the Company; and
- (c) the Offeror holds 97,764,618 Shares representing approximately 70.48% of the total number of issued Shares.

5. REGULATORY APPROVALS

- 5.1. An application will be made by the Offeror to the SIC to seek the SIC’s confirmations/rulings that the Exit Offer is exempted from the following provisions of the Singapore Code on Take-overs and Mergers (the “**Code**”):

- (a) Rule 20.1 on keeping the Exit Offer open for 14 days after it is revised;

- (b) Rule 22 on the offer timetable;
- (c) Rule 28 on acceptances; and
- (d) Rule 29 on the right of acceptors to withdraw their acceptances,

subject to, *inter alia*, the Exit Offer being kept open for at least 28 days after the date of despatch of the Exit Offer Letter.

- 5.2. In addition, confirmation will be sought from the SIC that certain Directors of the Company, namely Brian Tan Guan Hooi, Yap Kee Keong, Dr. Yuma Konishi and Soh Chiaw Guan, are to be exempted from the requirement to make a recommendation to Shareholders on the Exit Offer as they may face irreconcilable conflicts in doing so. Brian Tan Guan Hooi and Yap Kee Keong currently sit on the board of the Offeror. Dr. Yuma Konishi is the son of Tan Sri Dato' Seri (Dr.) Fumihiko Konishi, an Offeror Director, and he is also a director of several subsidiaries of the Offeror. Soh Chiaw Guan is a director of several subsidiaries of the Offeror.
- 5.3. The Offeror will provide further updates as soon as practicable after the receipt of the confirmations requested from the SIC.

6. THE OFFEROR'S INTENTIONS FOR THE COMPANY

- 6.1. Following the close of the Exit Offer, the Offeror has no current intention of (a) making material changes to the existing business, (b) re-deploying the fixed assets, (c) discontinuing the employment of the employees of the Company and its subsidiaries, other than in the ordinary course of business or (d) listing the Shares on another stock exchange.
- 6.2. Nonetheless, the Offeror retains the flexibility at any time to consider options or opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company.

7. COMPULSORY ACQUISITION

- 7.1. Pursuant to Section 215(1) of the Companies Act, Chapter 50, of Singapore ("**Companies Act**"), if the Offeror receives valid acceptances pursuant to the Exit Offer in respect of not less than 90% of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding treasury shares), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer (the "**Dissenting Shareholders**") at the Offer Price.
- 7.2. The Offeror confirms that it intends to exercise its right of compulsory acquisition in the event that it receives valid acceptances pursuant to the Exit Offer in respect of not less than 90% of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding treasury shares).
- 7.3. Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares in the event that the

Offeror acquires, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by it, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal and finance advice.

8. CONFIRMATION OF FINANCIAL RESOURCES

HSBC Bank Malaysia Berhad has confirmed that sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Exit Offer on the basis of the Offer Price.

9. INDEPENDENT FINANCIAL ADVISER

The Company has appointed Asian Corporate Advisors Pte. Ltd. as the independent financial adviser (the “**IFA**”) to advise the Directors who are considered independent for the purposes of the Exit Offer (the “**Independent Directors**”) on the Exit Offer. The recommendation of the Independent Directors (including the IFA’s detailed advice) will be appended to the Exit Offer Letter which will be despatched to Shareholders in due course.

10. DISCLOSURE OF INTERESTS

- 10.1. **Offeror.** As at the Joint Announcement Date, the interests of the Offeror, its related corporations and the Offeror Directors in the Shares are set out below:

Name	Direct Interest in Shares		Deemed Interest in Shares	
	No. of Shares	% ⁽⁴⁾	No. of Shares	% ⁽⁴⁾
<u>Offeror</u>				
Texchem Resources Bhd.	97,764,618	70.48	-	-
<u>Related Corporations</u>				
Texchem Holdings Sdn. Bhd. ⁽¹⁾	-	-	97,764,618	70.48
Texchem Corporation Sdn. Bhd. ⁽²⁾	-	-	97,764,618	70.48
<u>Offeror Directors</u>				
Tan Sri Dato’ Seri (Dr.) Fumihiko Konishi ⁽³⁾	-	-	97,764,618	70.48

Notes:

- (1) Texchem Holdings Sdn. Bhd. is deemed to be interested in the Shares held by the Offeror pursuant to Section 7 of the Companies Act as it has approximately 38.58% direct interest in the issued and paid-up share capital of the Offeror.
- (2) Texchem Corporation Sdn. Bhd., a 73.81% owned subsidiary of the Offeror, is deemed to be interested in the Shares held by the Offeror pursuant to Section 7 of the Companies Act as it has approximately 17.04% direct interest in the issued and paid-up share capital of the Offeror.
- (3) Tan Sri Dato’ Seri (Dr.) Fumihiko Konishi is deemed to be interested in the Shares held by the Offeror pursuant to Section 7 of the Companies Act as he holds the entire issued share capital of Texchem Holdings Sdn. Bhd. being 49,999,980 shares, save for 20 shares held by his wife. In addition, Tan Sri Dato’ Seri (Dr.) Fumihiko Konishi is also deemed to be interested in the Shares held by the Offeror

pursuant to Section 7 of the Companies Act via his associates, namely his wife, daughters and Texchem Holdings Sdn. Bhd. who are also shareholders of Texchem Corporation Sdn. Bhd. and the Offeror.

- (4) Figures are rounded to two decimal places and based on 138,715,562 Shares in issue as at the Joint Announcement Date.

10.2. Save as disclosed in this Announcement, none of the Offeror or any parties acting in concert with it:

- (a) owns, controls or has agreed to acquire any Shares or securities which carry voting rights in the Company or convertible securities, warrants, options or derivatives in respect of Shares or securities which carry voting rights in the Company (the “**Securities**”);
- (b) has received any irrevocable commitment from any party to accept or reject the Exit Offer; and
- (c) has, (i) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Shares which might be material to the Exit Offer, (ii) granted a security interest relating to any Securities to another person, whether through a charge, pledge or otherwise, (iii) borrowed any Securities from another person (excluding borrowed Securities which have been on-lent or sold), or (iv) lent any Securities to another person.

10.3. **Directors of the Company.** As at the Joint Announcement Date, save for Soh Chiaw Guan, a Non-Executive Director of the Company, who holds 1,000 Shares, none of the Directors of the Company has any interests in the Shares.

11. CONFIDENTIALITY

In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with it in connection with the Exit Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Exit Offer Letter, if necessary.

12. EXIT OFFER LETTER

No immediate action is required of Shareholders on their part in respect of the Exit Offer. Shareholders will be advised on the procedure for accepting the Exit Offer when the Exit Offer Letter is despatched.

13. OVERSEAS SHAREHOLDERS

13.1. The Exit Offer will be made pursuant to the Exit Offer Letter and the Acceptance Forms accompanying the Exit Offer Letter, which will contain the full terms and conditions of the Exit Offer. The availability of the Exit Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of The Central Depository (Pte) Limited (as the case may be) (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.

- 13.2. Where there are potential restrictions on sending the Exit Offer Letter or the Acceptance Forms to any overseas jurisdiction, the Offeror reserves the right not to send such documents to the relevant overseas jurisdiction.
- 13.3. For the avoidance of doubt, the Exit Offer shall be made to all Shareholders (including the Overseas Shareholders) including those to whom the Exit Offer Letter and the Acceptance Forms will not be, or may not be, sent, provided that the Exit Offer does not constitute an offer or a solicitation to any person in any jurisdiction in which the introduction or implementation of the Exit Offer would not be in compliance with the laws of such jurisdiction. Further details in relation to Overseas Shareholders will be set out in the Exit Offer Letter.

14. RESPONSIBILITY STATEMENT

- 14.1. The Offeror Directors (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed herein are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading in any material respect. The Offeror Directors jointly and severally accept responsibility accordingly. Where any information in this Announcement has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Company and its subsidiaries), the sole responsibility of the Offeror Directors 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 Announcement.
- 14.2. The Directors (including any Director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed herein which relate to the Company and its subsidiaries are fair and accurate and that no material facts which relate to the Company and its subsidiaries have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading in any material respect. The Directors jointly and severally accept responsibility accordingly. Where any information in this Announcement has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors 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 Announcement. The Directors do not accept any responsibility for any information relating to the Proposal, the Exit Offer, the Offeror and its related corporations, or any opinion expressed by the Offeror.

By Order of the Board of Directors
TEXCHEM-PACK HOLDINGS (S) LTD.

Kim Seah Teck Kim
Director
5 August 2015

By Order of the Board of Directors
TEXCHEM RESOURCES BHD.

Brian Tan Guan Hooi
Director
5 August 2015

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “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 current expectations, beliefs, hopes, intentions or strategies of the party making the statements 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 Company and/or the Offeror should not place undue reliance on such forward-looking statements, and none of the Company and the Offeror undertakes any obligation to update publicly or revise any forward-looking statements.

Disclosure of Dealings

The associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in the Shares of the Company in accordance with Rule 12 of the Code.