

LEE METAL GROUP LTD
(Company Registration No. 198205439C)
(Incorporated in the Republic of Singapore)

**VOLUNTARY CONDITIONAL CASH OFFER BY UNITED OVERSEAS BANK LIMITED, FOR AND ON
BEHALF OF BRC ASIA LIMITED, FOR LEE METAL GROUP LTD**

LOSS OF PUBLIC FLOAT

1. INTRODUCTION

The board of directors (“**Board**” or “**Directors**”) of Lee Metal Group Ltd (the “**Company**”) refers to:

- (a) the pre-conditional offer announcement dated 21 February 2018 (“**Pre-Conditional Offer Announcement**”) made by United Overseas Bank Limited (“**UOB**”), for and on behalf of BRC Asia Limited (the “**Offeror**”), that the Offeror will make a voluntary conditional cash offer (the “**Offer**”) for all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”), other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it, in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”), subject to and contingent upon the fulfilment or waiver of the Pre-Conditions (as defined in the Pre-Conditional Offer Announcement);
- (b) the announcement dated 26 April 2018 made by UOB, for and on behalf of the Offeror, that, *inter alia*, all Pre-Conditions had been satisfied and the Offeror thereby made the Offer pursuant to Rule 15 of the Code;
- (c) the announcement dated 10 May 2018 made by UOB, for and on behalf of the Offeror, that, *inter alia*, the offer document containing, *inter alia*, the terms and conditions of the Offer (the “**Offer Document**”), was despatched to the Company’s shareholders (“**Shareholders**”) on 10 May 2018;
- (d) the announcement dated 14 May 2018 (the “**Unconditional Announcement**”) made by UOB, for and on behalf of the Offeror, that, *inter alia*:
 - (i) as at 14 May 2018, the Offeror had received valid acceptances in respect of 270,122,856 Offer Shares which when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Group, resulted in the Offeror and its Concert Group holding such number of Shares carrying more than 50% of the voting rights attributable to the issued Shares (excluding any treasury shares);
 - (ii) accordingly, the Minimum Acceptance Condition of the Offer had been satisfied and the Offer had therefore become and was thereby declared unconditional in all respects; and
 - (iii) pursuant to Rule 22.6 of the Code, the Closing Date of the Offer was extended from 5.30 p.m. (Singapore time) on 7 June 2018 to 5.30 p.m. (Singapore time) on 21 June 2018 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror);
- (e) the announcement dated 24 May 2018 made by the Company that the circular dated 24 May 2018 containing, *inter alia*, the advice of the independent financial adviser, SAC

Capital Private Limited to the Recommending Directors and the recommendation of the Recommending Directors to Shareholders in relation to the Offer, has been despatched to Shareholders on 24 May 2018 (the “**Offeree Circular**”); and

- (f) the announcement dated 5 June 2018 made by UOB, for and on behalf of the Offeror, in relation to the level of acceptances of the Offer (the “**Level of Acceptances Announcement**”),

(collectively, the “**Previous Announcements**”).

All capitalised terms used and not defined herein shall have the same meanings ascribed to them in the Offeree Circular.

2. LOSS OF PUBLIC FLOAT AND SUSPENSION OF TRADING

The Level of Acceptances Announcement states, *inter alia*, that as at 5.00 p.m. (Singapore time) on 5 June 2018, an aggregate of 429,236,249 Shares, representing 90.45% of the total number of Shares in issue (excluding treasury shares), are owned, controlled or agreed to be acquired by the Offeror and its Concert Parties (including valid acceptances of the Offer).

Rule 723 of the Listing Manual requires the Company to ensure that at least 10.0% of the total number of issued Shares excluding treasury shares (excluding preference shares and convertible securities) in a class that is listed is at all times held by the public (the “**Free Float Requirement**”).

In accordance with Rule 724(1) of the Listing Manual, the Company wishes to announce that the Offeror has received valid acceptances pursuant to the Offer that bring the holdings owned by the Offeror and its Concert Parties to above 90.0% of the total number of issued Shares (excluding any treasury shares). Under Rule 1105 of the Listing Manual, the Singapore Exchange Securities Trading Limited (“SGX-ST”) may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10.0% of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public.

As at the date of the Level of Acceptances Announcement, the percentage of Shares held by the public as at 5.00 p.m. (Singapore time) on 5 June 2018 is approximately 9.55% and is therefore less than the requisite 10.0% under the Free Float Requirement.

Pursuant to Rule 1303(1) of the Listing Manual, as the Offeror and its Concert Parties have succeeded in garnering acceptances exceeding 90.0% of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10.0%, **the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer.**

As stated in, *inter alia*, the Pre-Conditional Offer Announcement and the Offer Document, the Offeror will consider delisting the Company from the SGX-ST in the event that it achieves the requisite acceptances for such delisting, in order to facilitate management and operational control and leverage over the Company and its subsequent developments.

3. EXTENDED CLOSING DATE

Shareholders should note that as announced in the Unconditional Announcement, the Closing Date of the Offer was extended from 5.30 p.m. (Singapore time) on 7 June 2018 to 5.30 p.m. (Singapore time) on 21 June 2018. Further, as announced in the Level of Acceptances Announcement, the Offer will not be open for acceptance beyond **5.30 p.m. (Singapore time) on 21 June 2018 (“Extended Closing Date”)**.

4. DISSENTING SHAREHOLDERS' RIGHTS

As announced in the Level of Acceptances Announcement, as the Offeror has received valid acceptances pursuant to the Offer which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding treasury shares), Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") will have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares on the terms of the Offer. Dissenting Shareholders who wish to exercise such right or who are in doubt as to their position are advised to seek their own independent legal advice.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate, and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Previous Announcements and/or the Offer Document), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Foo Soon Soo
Company Secretary
6 June 2018