

JOINT ANNOUNCEMENT

**PROPOSED VOLUNTARY DELISTING OF SUNMART HOLDINGS LIMITED –
DESPATCH OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS**

1. INTRODUCTION

- 1.1 The board of directors ("**Board**") of Sunmart Holdings Limited ("**Company**") and Sun Bingzhong ("**Offeror**") refer to the joint announcements dated 30 November 2016 and 3 February 2017 ("**Previous Announcements**") by the Company and the Offeror in relation to (a) the voluntary delisting of the Company ("**Delisting**") from the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") pursuant to Rules 1307 and 1309 of the Listing Manual of the SGX-ST ("**Listing Manual**"), whereby the Offeror will make an exit offer ("**Exit Offer**") in cash, to acquire all the issued ordinary shares in the capital of the Company ("**Shares**"), other than those Shares already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**") and its concert parties as at the date of the Exit Offer, on the terms and conditions set out in the Previous Announcements and the formal offer document to be issued by the Offeror ("**Exit Offer Letter**") to shareholders of the Company ("**Shareholders**") containing, *inter alia*, the terms of the Exit Offer and the relevant acceptance forms, and (b) the approval of the SGX-ST for the Company's application for the Delisting ("**SGX-ST Approval**").
- 1.2 Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Previous Announcements.

2. DESPATCH OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS

- 2.1 The Company and the Offeror wish to announce that:
- (a) the circular to the Shareholders dated 21 February 2017 ("**Circular**") containing, *inter alia*, information on the Delisting, the advice of Provenance Capital Pte. Ltd., the independent financial adviser ("**IFA**") to the independent directors of the Company ("**Independent Directors**"), and the recommendation of the Independent Directors to Shareholders in relation to the Delisting and Exit Offer; and;
 - (b) the Exit Offer Letter dated 21 February 2017 together with the Form of Acceptance and Authorisation ("**FAA**") and/or the Form of Acceptance and Transfer ("**FAT**"), as the case may be (collectively, the FAA and the FAT shall be referred to as the "**Acceptance Forms**"), containing, *inter alia*, the terms and conditions of the Exit Offer,
- have been despatched to Shareholders today.
- 2.2 Shareholders are advised to read and consider the Exit Offer Letter, the Acceptance Forms and the Circular (in particular, the advice of the IFA to the Independent Directors ("**IFA Letter**")

and the recommendation of the Independent Directors to Shareholders in relation to the Delisting and Exit Offer) carefully.

- 2.3 If any Shareholder is in any doubt about any matter contained in the Exit Offer Letter or the Circular, or as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

3. COPIES OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS

- 3.1 Shareholders who do not receive the Circular, the Exit Offer Letter and the relevant Acceptance Forms within a week from the date hereof should contact The Central Depository (Pte) Limited ("**CDP**") (in the case of Shareholders whose Offer Shares are deposited with CDP ("**Depositors**")) or Boardroom Corporate & Advisory Services Pte Ltd ("**Share Registrar**") (in the case of Shareholders whose Offer Shares are not deposited with CDP), as the case may be, without delay at the following respective addresses:

For Shareholders who are Depositors

The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

For Shareholders who are not Depositors

Boardroom Corporate & Advisory Services Pte
Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

- 3.2 Copies of the FAA may be obtained by Shareholders who are Depositors from CDP upon production of satisfactory evidence that they are Shareholders. Copies of the FAT may be obtained by Shareholders who are not Depositors from the Share Registrar upon production of satisfactory evidence that they are Shareholders.
- 3.3 Electronic copies of the Exit Offer Letter, the Acceptance Forms, and the Circular may also be obtained from the website of the SGX-ST at <http://www.sgx.com>.

4. NOTICE OF EXTRAORDINARY GENERAL MEETING ("**EGM**")

The directors of the Company ("**Directors**") would also like to refer Shareholders to the notice of the EGM to be convened for Shareholders to vote on the Delisting Resolution dated 21 February 2017. Please note that the EGM will be held on 8 March 2017 at 9.00 a.m. at the Seletar Country Club, 101 Seletar Club Road, Kingfisher Room 3, Level 1, Singapore 798273.

5. CLOSING DATE

- 5.1 The Exit Offer is open for acceptance by Shareholders on and from the date of despatch of the Exit Offer Letter and will remain open for acceptance until 5.30 p.m. (Singapore time) on 22 March 2017, or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for lodgement of acceptances of the Exit Offer ("**Closing Date**").
- 5.2 The Exit Offer will not be conditional upon a minimum number of acceptances being received. Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares. However, such acceptances will be conditional upon the Delisting Proposal Conditions being satisfied. If any of the Delisting Proposal Conditions are not fulfilled, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned. Both the Shareholders

and the Offeror will cease to be bound by any prior acceptance of the Exit Offer by any Shareholder.

- 5.3 If the Delisting Resolution is approved by Shareholders at the EGM, the Exit Offer will be open for acceptance by Shareholders for a period of at least fourteen (14) days after the date of announcement of Shareholders' approval of the Delisting. Accordingly, the Exit Offer will close at the Closing Date.

6. PROCEDURES FOR ACCEPTANCES

- 6.1 Details on the procedures for acceptance of the Exit Offer are set out in Appendix 1 to the Exit Offer Letter and in the relevant Acceptance Forms. Shareholders are advised to read the Exit Offer Letter and the relevant Acceptance Forms in their entirety.
- 6.2 Shareholders should also note that voting in favour of the Delisting Resolution does not constitute an acceptance of the Exit Offer and Shareholders who wish to accept the Exit Offer must tender their acceptance in accordance with the procedures set out in Appendix 1 to the Exit Offer Letter and the relevant Acceptance Forms.

7. OVERSEAS SHAREHOLDERS

7.1 Overseas Jurisdictions

The Exit Offer Letter does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in the Exit Offer Letter in any jurisdiction in contravention of applicable law and regulation.

The release, publication or distribution of the Exit Offer Letter in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which the Exit Offer Letter is released, published or distributed should inform themselves about and observe such restrictions.

Copies of the Exit Offer Letter are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer will violate the laws of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

7.2 Overseas Shareholders

The availability of the Exit Offer to Shareholders whose addresses are outside Singapore as shown in the Register or in the Depository Register (as the case may be) (each, an

"Overseas Shareholder") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.

For the avoidance of doubt, the Exit Offer will be open to all Shareholders, including those to whom the Exit Offer Letter and the relevant Acceptance Forms may not be sent.

It is the responsibility of Overseas Shareholders who wish to accept the Exit Offer to satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, CDP, the Share Registrar and/or any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, CDP, the Share Registrar and/or any person acting on their behalf may be required to pay. In accepting the Exit Offer, each Overseas Shareholder represents and warrants to the Offeror that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in doubt about his position should consult his professional adviser in the relevant jurisdiction.

7.3 Copies of the Exit Offer Letter, Acceptance Forms and Circular

Where there are potential restrictions on sending the Exit Offer Letter, the Acceptance Forms and the Circular to any overseas jurisdiction, the Offeror, CDP, the Share Registrar and the Company each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Exit Offer Letter, the Acceptance Forms, the Circular and any related documents during normal business hours and up to the Closing Date, from:

- (a) Sun Bingzhong c/o The Central Depository (Pte) Limited at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588; or
- (b) Sun Bingzhong c/o Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Offeror at Sun Bingzhong c/o Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 to request for the Exit Offer Letter, the Acceptance Forms, the Circular and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) Market Days prior to the Closing Date.

7.4 Notice

The Offeror reserves the right to notify any matter, including the fact that the Exit Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement

to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

8. INFORMATION PERTAINING TO CPFIS INVESTORS

- 8.1 Investors who have purchase Shares using their monies pursuant to the Central Provident Fund Investment Scheme ("**CPFIS**") ("**CPFIS Investors**") should receive further information on how to accept the Exit Offer from their CPF Agent Banks shortly. CPFIS Investors are advised to consult their respective agent banks included under the CPFIS ("**CPF Agent Banks**") should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.
- 8.2 CPFIS Investors who wish to accept the Exit Offer are to reply to their respective CPF Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks. Subject to the Exit Offer becoming or being declared unconditional in all respects in accordance with its terms, CPFIS Investors who accept the Exit Offer will receive the Exit Offer Price in respect of their Offer Shares, in their CPF investment accounts.

9. RESPONSIBILITY STATEMENTS

- 9.1 The Offeror has taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. Where any information in this announcement has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the Offeror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement . The Offeror accepts responsibility accordingly.
- 9.2 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 in this announcement (other than those relating to the Offeror and parties acting in concert with it) are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. Where any information in this announcement has been extracted or reproduced from published or publicly available sources or obtained from the Offeror, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement. The Directors jointly and severally accept responsibility accordingly.

SUN BINGZHONG
21 February 2017

BY ORDER OF THE BOARD
SUNMART HOLDINGS LIMITED

Sun Bingzhong
Executive Chairman
21 February 2017