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MANDATORY UNCONDITIONAL CASH OFFER

by



OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore)
(Company Registration No.: 193200032W)

for and on behalf of

GRAND SLAM RF18 INVESTMENTS PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201707885R)

for all the issued ordinary shares in the capital of



NOBEL DESIGN HOLDINGS LTD

(Incorporated in the Republic of Singapore)
(Company Registration No.: 198104591E)

other than those held in treasury and those already owned, controlled or agreed to be acquired by
Grand Slam RF18 Investments Pte. Ltd.

OFFER ANNOUNCEMENT

1. INTRODUCTION

1.1 The Offer

Oversea-Chinese Banking Corporation Limited ("**OCBC Bank**") wishes to announce, for and on behalf of Grand Slam RF18 Investments Pte. Ltd. (the "**Offeror**"), that the Offeror intends to make a mandatory unconditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of Nobel Design Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**"),¹ other than those already owned, controlled or agreed to be acquired by the Offeror as at the date of this Announcement (the "**Offer Announcement Date**"), but including Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror ("**Concert Parties**").

¹ As at the Offer Announcement Date, based on the Accounting and Corporate Regulatory Authority of Singapore business profile of the Company extracted on 2 May 2017, the Company has 219,228,686 Shares and does not hold any treasury shares.

1.2 The Acquisition

The Offeror had on 2 May 2017 acquired an aggregate of 50,482,000 Shares from a substantial shareholder of the Company at S\$0.510 per Share (the “**Acquisition**”), representing 23.0% of the total number of Shares. The Acquisition was completed by way of married deals.

As a consequence of the Acquisition, the aggregate interest of the Offeror and the Offeror Concert Party Group (as defined below) has increased from 90,506,400 Shares, representing approximately 41.3% of the Shares, to 140,988,400 Shares, representing approximately 64.3% of the Shares.

Please refer to the Appendix to this Announcement for further information on the shareholding interests of the Offeror and the Offeror Concert Party Group in the Company.

1.3 Mandatory Offer

As this Acquisition represents more than 1% of the voting rights in the Company in the preceding six-month period from the date of the Acquisition, the Offeror will, in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”), make a mandatory general offer for all the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror.

2. THE OFFER

2.1 Terms of the Offer

Subject to the terms and conditions set out in the formal document in relation to the Offer to be issued by OCBC Bank, for and on behalf of the Offeror (the “**Offer Document**”), the Offeror will make the Offer for all the Offer Shares (as defined in paragraph 2.1.2 below) on the following basis:

2.1.1 Offer Price. The offer price for each Offer Share: S\$0.510 in cash (the “**Offer Price**”).

The Offer Price is final. The Offeror will not revise the Offer Price.

2.1.2 Offer Shares. The Offer, when made, will be extended to:

- (a) all Shares (other than those held in treasury and those already owned, controlled or agreed to be acquired by the Offeror as at the Offer Announcement Date), including any Shares owned, controlled or agreed to be acquired by Concert Parties; and
- (b) all new Shares unconditionally issued or to be issued pursuant to the valid exercise of any of the options (the “**Options**”) granted under the Nobel Employee Share Option Scheme (“**ESOS**”) prior to the final closing date of the Offer (the “**Closing Date**”),

(collectively, the “**Offer Shares**”).

2.1.3 **Rights and Encumbrances.** The Offer Shares will be acquired (i) fully paid-up, (ii) free from all claims, charges, pledges, mortgages, encumbrances, liens, options, equity, power of sale, declarations of trust, hypothecation, retention of title, rights of pre-emption, rights of first refusal, moratoriums or other third party rights or interests of any nature whatsoever, and (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and hereafter attaching thereto, including but not limited to all voting rights and the right to receive and retain all dividends, rights, distributions, returns of capital and/or other entitlements (if any) ("**Distributions**") which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date, together with all interest accrued thereon.

2.1.4 **Adjustment for Distributions.** Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Offer Announcement Date to a shareholder of the Company ("**Shareholder**") who validly accepts the Offer (the "**Accepting Shareholder**"), the Offer Price payable to such Accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by the Accepting Shareholder falls, as follows:

- (a) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the "**Books Closure Date**"), the Offer Price for each Offer Share shall remain unadjusted and the Offeror shall pay the Accepting Shareholder the unadjusted Offer Price for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or
- (b) if such settlement date falls after the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share (the Offer Price after such reduction, the "**Adjusted Offer Price**") and the Offeror shall pay the Accepting Shareholder the Adjusted Offer Price for each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

On 12 April 2017, the Company announced the notice of books closure and dividend payment date for the first and final (tax exempt one-tier) dividend of 0.52 cents per Share for the financial year ended 31 December 2016 (the "**Proposed Dividend**"). The Proposed Dividend, which was approved at the Annual General Meeting of the Company held on 28 April 2017, will be paid on 19 May 2017. The books closure date for the determination of entitlements to the Proposed Dividend is at 5.00 p.m. on 9 May 2017 (the "**Proposed Dividend BCD**").

For purely illustrative purposes only, assuming that:

- (i) the settlement date in respect of any Offer Shares validly tendered in acceptance of the Offer falls after the Proposed Dividend BCD in respect of the Proposed Dividend; and
- (ii) the amount of the Proposed Dividend is 0.52 cents for each Offer Share,

the Adjusted Offer Price for each Offer Share to be received by any Accepting Shareholder shall be Offer Price less the Proposed Dividend for each Offer Share, being **S\$0.5048**.

2.1.5 **No Condition.** Upon completion of the Acquisition, the Offeror and the Offeror Concert Party Group together hold an aggregate of 140,988,400 Shares, representing approximately 64.3% of the Shares. As such, the Offer will be unconditional in all respects.

3. OPTIONS PROPOSAL

3.1 Options Proposal

As at the Offer Announcement Date, based on the latest information available to the Offeror, there are 2,620,000 outstanding Options to subscribe for an aggregate of 2,620,000 Shares granted under the ESOS. Each Option entitles its holder to subscribe for one Share at a pre-agreed exercise price of S\$0.40. Under the rules of the ESOS, the Options are not transferable by the holders thereof. In view of this restriction, the Offeror will not make an offer to acquire the Options, although, for the avoidance of doubt, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid exercise of any Options prior to the Closing Date. Instead, the Offeror will make a proposal (the “**Options Proposal**”) to the holders of the Options (the “**Option Holders**”). Pursuant to the Options Proposal, the Offeror will pay to such Options Holders a cash amount (determined as provided below) (the “**Option Price**”) in consideration of such Options Holders agreeing:

- (a) not to exercise any of such Options into new Shares; and
- (b) not to exercise any of their rights as Options Holders.

The Option Price is computed on a “see-through” basis. In other words, the Option Price in relation to any Option is the amount (if positive) of the Offer Price less the exercise price of the Option. If the exercise price of an Option is equal to or more than the Offer Price, the Option Price for each Option will be the nominal amount of S\$0.001.

3.2 Offer and Options Proposal Mutually Exclusive

The Offer and the Options Proposal are separate and mutually exclusive. The Options Proposal does not form part of the Offer, and *vice versa*. Without prejudice to the foregoing, if Option Holders exercise their Options in order to accept the Offer in respect of the new Shares to be issued pursuant to such exercise, they may not accept the Options Proposal in respect of such Options. Conversely, if Option Holders wish to accept the Options Proposal in respect of their Options, they may not exercise those Options in order to accept the Offer in respect of the new Shares to be issued pursuant to such exercise.

3.3 Further Details

Details of the Options Proposal will be despatched to the Option Holders no later than the date of despatch of the Offer Document

4. INFORMATION ON THE OFFEROR

The Offeror is a private company limited by shares incorporated in Singapore on 21 March 2017 for the purposes of the Acquisition, the Offer and holding the Offer Shares. Its principal activity is investment holding. It has an issued and paid-up share capital of S\$10 divided into 10 ordinary shares and its registered address is at 10 Ubi Crescent, #03-12, Ubi Techpark, Singapore 408564. The shareholders of the Offeror comprise Mr. Goon Eu Jin Terence (“**Mr. Goon**”), Ms. Wee Ai Quey (“**Ms. Wee**”), Mr. Kho Chuan Thye Patrick (“**Mr. Kho**”) and Southern Cross Holdings Pte. Ltd. (“**Southern Cross**”) (collectively, the “**Sponsors**”). As at the Offer Announcement Date, the Sponsors hold the following percentage shareholding in the Offeror:

	Total Shareholding Interest in the Offeror (%)
Mr. Goon	40.0
Ms. Wee	20.0
Mr. Kho	20.0
Southern Cross	20.0

The direct and indirect security holdings in the Company of the Offeror and the Sponsors are set out in paragraph 1 of the Appendix to this Announcement.

As at the Offer Announcement Date, the directors of the Offeror are Mr. Goon, Ms. Wee and Mr. Kho.

5. INFORMATION ON THE COMPANY

Based on publicly available information, the Company was incorporated in Singapore as Mistar Interior Design (Pte) Ltd on 29 September 1981. It changed its name to Nobel Design & Contracts Pte Ltd and then to Nobel Design Holdings Ltd on 29 October 1996, in connection with the change in its status to that of a public limited company. The Company was listed on the SESDAQ (now known as Catalist) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 25 November 1996 and transferred to the Mainboard of the SGX-ST on 8 August 2008. The Company, its operating subsidiaries and associate companies are engaged in interior design and contracts, retail of furniture, supply of furniture to commercial and hospitality projects, commercial and residential property development, and supply chain and distribution of furniture in the USA market.

As at the Offer Announcement Date, the directors of the Company are Mr. Chan Pengee, Adrian (Non-Executive Chairman and Independent Director), Mr. Heng Chye Yam (Independent and Non-Executive Director), Mr. Wong Soon Chiu (Independent and Non-Executive Director), Mr. Chan Kum Leong (Independent and Non-Executive Director), Mr. Goon (Group Chief Executive Officer and Group Managing Director), Ms. Wee (Chief Operating Officer and Executive Director) and Ms. Ong Ciu Hwa (Executive Director).

6. IRREVOCABLE UNDERTAKINGS

6.1 Undertaking Shareholders

As at the Offer Announcement Date, the Offeror has received irrevocable undertakings from each of the Sponsors to accept or procure the acceptance of the Offer in respect of all Shares held by each of them respectively prior to and up to the close of the Offer (the “**Irrevocable Undertakings**”). As at the Offer Announcement Date, the Sponsors have an aggregate shareholding interest in 89,977,400 Shares (the “**Relevant Shares**”), representing approximately 41.0% of the total Shares of the Company.

6.2 Undertaking Option Holders

As at the Offer Announcement Date, the Offeror has received irrevocable undertakings from Mr. Goon and Ms. Wee (collectively, the “**Undertaking Option Holders**”) not to exercise all or any Options held by them and to accept the Options Proposal in respect of all Options held by each of them (the “**Additional Irrevocable Undertakings**”) prior to and up to the close of the Offer. As at the Offer Announcement Date, the Undertaking Option Holders hold in aggregate 487,000 Options (the “**Relevant Options**”), representing approximately 18.6% of the total number of Options.

6.3 Deferred Consideration

In addition, pursuant to the terms of the Irrevocable Undertakings and the Additional Irrevocable Undertakings (collectively, the “**Sponsors’ Irrevocable Undertakings**”), the Sponsors and the Undertaking Option Holders have agreed to defer their rights to receive the consideration payable to them (the “**Sponsor’s Consideration**”) in respect of the Relevant Shares and the Relevant Options (collectively, the “**Relevant Securities**”) tendered in acceptance of the Offer and the Options Proposal respectively, within the period specified under Rule 30 of the Code, and will instead agree to the deferral of the Sponsor’s Consideration until after the close of the Offer (the “**Payment Deferral**”). Following the close of the Offer, each of the Sponsors and the Undertaking Option Holders will be creditors of the Offeror for an amount in cash equivalent to the cash consideration payable for the Relevant Shares and Relevant Options which they have tendered in acceptance of the Offer and the Options Proposal respectively. The payment so deferred shall be reflected as interest-free shareholders’ loans extended by each of the Sponsors and the Undertaking Option Holders to the Offeror (the “**Shareholders’ Loan**”).

6.4 Further Details

The Irrevocable Undertaking and Additional Irrevocable Undertakings shall lapse on the date the Offer closes, lapses or is withdrawn.

7. EQUALISATION ARRANGEMENT

7.1 Arrangements relating to the Sponsors and their interests in the Company and the Offeror

The interests of the Sponsors *inter-se* in the Company and their shareholding interests in the Offeror are set out below:

Sponsor	No of Relevant Shares	No of Relevant Options	No of Relevant Securities	% <i>inter-se</i> amongst the Sponsors in the Company (approx) ⁽¹⁾	% <i>inter-se</i> amongst the Sponsors in the Company (approx) ⁽²⁾	% Shareholding in the Offeror
	(A)	(B)	(A) + (B)			(C)
Mr. Goon	31,181,000	270,000	31,451,000	34.7	34.8	40.0
Ms. Wee	25,132,000	217,000	25,349,000	27.9	28.0	20.0
Mr. Kho	17,380,000	-	17,380,000	19.3	19.2	20.0
Southern Cross	16,284,400	-	16,284,400	18.1	18.0	20.0
Total	89,977,400	487,000	90,464,400	100.0	100.0	100.0

Notes:

- (1) The *inter-se* percentage of the Sponsors is calculated based on their respective shareholding in the Company against their total shareholding in the Company of 89,977,400 Shares. For example, Mr. Goon's percentage is calculated as follows: $(31,181,000/89,977,400) \times 100$.
- (2) The *inter-se* percentage of the Sponsors is calculated based on their respective shareholding and Options holding in the Company against their total shareholding and Options holding in the Company of 90,464,400 Relevant Securities. For example, Mr. Goon's percentage is calculated as follows: $(31,451,000/90,464,400) \times 100$.

In view of the above and the Sponsors' Irrevocable Undertakings, the Sponsor's Consideration which each of the Sponsors will be entitled under the Offer and the Options Proposal would be disproportionate to their respective shareholdings in the Offeror.

FOR PURELY ILLUSTRATIVE PURPOSES ONLY, assuming the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by the Sponsors falls after the Proposed Dividend BCD, the total Offer consideration based on the Adjusted Offer Price of S\$0.5048 for the Relevant Shares will be S\$45,420,592 and the total Option consideration based on the Option Price on a "see through" basis for the Relevant Options will be S\$51,038. As such, the aggregate Sponsor's Consideration will be S\$45,471,629.

The following table illustrates the actual amount payable to each Sponsor based on the Adjusted Offer Price of S\$0.5048 and the final amount of Shareholders' Loan they should be entitled to, based on their respective shareholding in the Offeror:

Sponsor	Total Offer Consideration at the Adjusted Offer Price ⁽¹⁾ (Adjusted Offer Price x Number of Relevant Shares)	Total Option Consideration at the Option Price on a "see through basis" ⁽¹⁾ (Adjusted Offer Price – S\$0.40) x Number of Relevant Options	Aggregate Sponsor's Consideration ^{(1), (2)}	Amount of final Shareholders' Loan based on Shareholding Interest in Offeror ⁽¹⁾ (S\$45,471,629 x Sponsor's Shareholding Interest (%) in the Offeror)	Difference between Amount of final Shareholders' Loan and Sponsor's Consideration ⁽²⁾
	(D)	(E)	(D) + (E) = (F)	(C) x (F) = (G)	(G) – (F)
Mr. Goon	S\$15,740,169	S\$28,296	S\$15,768,465	S\$18,188,652	S\$2,420,187
Ms. Wee	S\$12,686,634	S\$22,742	S\$12,709,375	S\$9,094,326	(S\$3,615,049)
Mr. Kho	S\$8,773,424	-	S\$8,773,424	S\$9,094,326	S\$320,902
Southern Cross	S\$8,220,365	-	S\$8,220,365	S\$9,094,326	S\$873,961
Total ⁽²⁾	S\$45,420,592	S\$51,038	S\$45,471,629	S\$45,471,629	-

Notes:

- (1) The figures set out in the table above are rounded to the nearest whole number.
- (2) Any discrepancies in the figures shown are due to rounding.

7.2 Equalisation Mechanism

In order to ensure that the amount of Shareholders' Loan owing by the Offeror to each of the Sponsors accurately reflects their respective shareholding interest in the Offeror, the Sponsors have undertaken to enter into an equalisation mechanism (the "**Equalisation Mechanism**") after the close of the Offer. Under the Equalisation Mechanism, Mr. Goon, Mr. Kho and Southern Cross will each, extend further shareholder's loans to the Offeror equivalent to the difference between their respective aggregate Sponsor's Consideration and their respective amount of final Shareholders' Loan. The Offeror contemplates that such further shareholders' loans shall be utilised to reduce the Shareholders' Loan owing to Ms. Wee, thereby reducing her portion of the Shareholders' Loan.

8. RULE 10 OF THE CODE

8.1 Under Rule 10 of the Code, except with the consent of the Securities Industry Council ("**SIC**"), the offeror or its concert parties may not make, amongst other things, any arrangements or deals with selected shareholders, if there are favourable conditions attached to such arrangements or deals, which are not being extended to all shareholders. Note 6 to Rule 10 of the Code provides that Rule 10 is not breached if they are joint offerors and if one (or more) of the joint offerors is already a shareholder in the offeree company.

8.2 The SIC has on 28 April 2017 ruled that:

- (a) the Sponsors are joint offerors; and
- (b) as joint offerors, the Sponsors may make arrangements between themselves regarding the future membership, control and management of the business being acquired (including the Payment Deferral and the Equalisation Mechanism) without breaching Rule 10 of the Code.

9. RATIONALE FOR THE OFFER

9.1 Compliance with the Code

The Offer is made by the Offeror to comply with Rule 14.1 of the Code, as following completion of the Acquisition, the Offeror and its Concert Parties have acquired Shares which represents more than 1% of the voting rights in the Company in the six-month period preceding the Acquisition.

9.2 Opportunity for Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity

The historical trading liquidity of the Shares on the SGX-ST has been low. The average daily trading volume of the Shares over the last one (1)-month, three (3)-month, six (6)-month and 12-month periods up to and including the Last Trading Day (as defined herein) are detailed in the table below

	Average Daily Trading Volume (“ADTV”) ⁽¹⁾	ADTV as a percentage of total number of issued shares ^{(3),(4)}
One (1)-month period up to and including 28 April 2017, being the last trading day of the Shares prior to the Offer Announcement Date (the “ Last Trading Day ”)	30,377	0.014%
Three (3)-month period up to and including the Last Trading Day	33,006	0.015%
Six (6)-month period up to and including the Last Trading Day	25,103	0.011%
12-month period up to and including the Last Trading Day	18,138	0.008%

Notes:

- (1) The figures set out in the table above are based on data extracted from Bloomberg L.P.. The average daily trading volume is computed based on the total trading volume of the Shares divided by the number of Market Days⁽²⁾ with respect to the relevant period immediately prior to and including the Last Trading Day.
- (2) A day on which the SGX-ST is open for the trading of securities.
- (3) Calculated using the average daily total volume of Shares traded divided by the total number of issued Shares.
- (4) Rounded to the nearest three (3) decimal places.

9.3 The Offer Price represents an attractive premium to historical market prices

The Offer Price represents a premium of approximately 8.5 per cent. over the Company's closing price of S\$0.470 as of the Last Trading Day and a premium of 9.4 per cent., 15.9 per cent., 18.6 per cent., and 22.6 per cent. over the one (1)-month volume weighted average price (“**VWAP**”) of S\$0.466, three (3)-month VWAP of S\$0.440, six (6)-month VWAP of S\$0.430 and 12-month VWAP of S\$0.416, respectively.

The Offer therefore represents a cash exit opportunity for Shareholders to liquidate and realise their entire investment at a premium to the prevailing market prices, without incurring brokerage fees and other trading costs.

10. THE OFFEROR'S INTENTIONS FOR THE COMPANY

The Offeror intends for the Company to continue with its existing activities and has no current intention of (a) making material changes to the Group's existing business, (b) re-deploying the Group's fixed assets, or (c) discontinuing the employment of the employees of the Group, other than in the ordinary course of business. However, 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. Following the close of the Offer, the Offeror will conduct a comprehensive review of the operations, management and financial position of the Group, and will evaluate various strategic options.

11. LISTING STATUS AND COMPULSORY ACQUISITION

11.1 Listing Status

Under Rule 1105 of the Listing Manual of the SGX-ST (the “**Listing Manual**”), upon the announcement by the Offeror that valid acceptances have been received pursuant to the Offer that bring the holdings of the Shares owned by the Offeror and parties acting in concert with the Offeror to above 90% of the total number of issued Shares (excluding any treasury shares), the SGX-ST may suspend the trading of the Shares on the SGX-ST until it is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public.

Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number 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%, the SGX-ST will suspend trading of the Shares at the close of the Offer.

Shareholders are advised to note that Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares (excluding treasury shares) is at all times held by the public. In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual further states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted.

In the event the Company does not meet the free float requirements of the Listing Manual, the Offeror does not intend to maintain the present listing status of the Company and does not intend to take any steps for any trading suspension in the securities of the Company to be lifted.

11.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), if the Offeror receives valid acceptances of the Offer or acquires or agrees to acquire such number of Offer Shares during the Offer period otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of issued Shares (excluding treasury shares), other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer, the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”) on the same terms as those offered under the Offer.

In such an event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer,

such number of Shares which, together with treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares as at the final closing date of the Offer. **Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.** Unlike Section 215(1) of the Companies Act, the 90% threshold under Section 215(3) of the Companies Act does not exclude treasury shares or Shares held by the Offeror, its related corporations or their respective nominees as at the date of the Offer.

12. FINANCIAL ASPECTS OF THE OFFER

The Offer Price represents the following premium over the historical market prices of the Shares over various periods:

	Benchmark Price⁽¹⁾⁽²⁾	Premium of Offer Price over Benchmark Price⁽³⁾
Last traded price per Share as quoted on the SGX-ST on the Last Trading Day	S\$0.470	8.5%
VWAP of the Shares as quoted on the SGX-ST for the one (1)-month period up to and including the Last Trading Day	S\$0.466	9.4%
VWAP of the Shares as quoted on the SGX-ST for the three (3)-month period up to and including the Last Trading Day	S\$0.440	15.9%
VWAP of the Shares as quoted on the SGX-ST for the six (6)-month period up to and including the Last Trading Day	S\$0.430	18.6%
VWAP of the Shares as quoted on the SGX-ST for the 12-month period up to and including the Last Trading Day	S\$0.416	22.6%

Notes:

- (1) The figures set out in the table above are based on data extracted from Bloomberg L.P.. Calculated by using total value of Shares over the total volume of Shares traded for the relevant period.
- (2) Computed based on the Share prices rounded to the nearest three (3) decimal places.
- (3) Percentages rounded to the nearest one (1) decimal place.

13. DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS IN COMPANY SECURITIES

13.1 Holdings, Dealings and other Arrangements

- (a) **Holdings of Company Securities.** As at the Offer Announcement Date, save as set out in this Announcement and the Appendix, none of (i) the Offeror, (ii) the concert parties of the Offeror named in paragraph 1 of the Schedule to this Announcement (the “**Offeror Concert Party Group**”) and (iii) OCBC Bank (excluding its subsidiaries and any other members of the OCBC Group (as defined below)) (each, a “**Relevant Person**”) own, control or have agreed to acquire any (a) Shares, (b) Options, (c) other securities which carry voting rights in the Company, or (d) convertible securities,

warrants, options, awards or derivatives in respect of the Shares or other securities which carry voting rights in the Company (collectively, the “**Company Securities**”).

For the purposes of this Announcement, “**OCBC Group**” refers to OCBC Bank, its related corporations (as defined in the Companies Act) and associated companies controlled by OCBC Bank.

- (b) **Dealings.** Save as disclosed in this Announcement (including the Appendix hereto) and based on the latest information available to the Offeror, none of the Relevant Persons has dealt for value in any Company Securities during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Offer Announcement Date (the “**Reference Period**”).
- (c) **Other Arrangements.** Save as disclosed in this Announcement, as at the Offer Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons has:
 - (i) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Company Securities which might be material to the Offer;
 - (ii) received any irrevocable commitment (other than the Irrevocable Undertakings and the Additional Irrevocable Undertakings) to accept the Offer and/or the Options Proposal in respect of any Company Securities;
 - (iii) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
 - (iv) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
 - (v) lent any Company Securities to another person.

13.2 Confidentiality

In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Similarly, OCBC Bank has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with OCBC Bank in connection with the Offer. Further enquiries will be made of such persons after the Offer Announcement Date and the relevant disclosures will be made in due course and in the Offer Document.

14. CONFIRMATION OF FINANCIAL RESOURCES

OCBC Bank, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer Shares tendered in the Offer by Shareholders on the basis of the Offer Price and to satisfy full acceptances of the Options tendered in acceptance of the Options Proposal by Option Holders on the basis of the Option Price, excluding:

- (a) the Shares to be tendered by the Sponsors pursuant to the Irrevocable Undertakings and for which payment will be deferred;
- (b) the Options which will be surrendered by the Undertaking Option Holders in acceptance of the Options Proposal pursuant to the Additional Irrevocable Undertakings and for which payment will be deferred; and
- (c) the new shares issuable pursuant to the Options held by the Undertaking Option Holders, the exercise of which shall be restricted pursuant to the Additional Irrevocable Undertakings.

15. DESPATCH OF THE OFFER DOCUMENT

Further information on the Offer will be set out in the Offer Document. The Offer Document, which will contain the terms and conditions of the Offer, and enclose the appropriate form(s) of acceptance, will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of the Offer Announcement Date. The Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document.

16. OVERSEAS SHAREHOLDERS

16.1 Overseas Persons

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or purchase 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 this Announcement in any jurisdiction in contravention of applicable law.

The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Offer Document and the relevant form(s) of acceptance may not be sent.

The availability of the 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) (each, an “**Overseas Persons**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Persons should inform themselves about, and observe, any applicable requirements in the relevant overseas jurisdictions. Further details in relation to Overseas Persons will be contained in the Offer Document.

16.2 Copies of the Offer Document

Where there are potential restrictions on sending the Offer Document to any overseas jurisdictions, the Offeror and OCBC Bank each reserves the right not to send the Offer Document to such overseas jurisdictions. Any affected Overseas Person may nonetheless obtain copies of the Offer Document during normal business hours from the office of the Company’s share registrar, Tricor Barbinder Share Registration Services (a division of Tricor

Singapore Pte. Ltd.), at 80 Robinson Road, #11-02 Singapore 068898. Alternatively, an affected Overseas Person may write to the Company's share registrar to request the Offer Document to be sent to an address in Singapore by ordinary post at his own risk.

17. RESPONSIBILITY STATEMENT

The directors of the Offeror (notwithstanding that they may have delegated detailed supervision of this Announcement (as relevant)) have taken all reasonable care to ensure that the facts stated and all opinions expressed 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, information in relation to the Company or the Group), the sole responsibility of the Offeror's directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by

OVERSEA-CHINESE BANKING CORPORATION LIMITED

For and on behalf of

GRAND SLAM RF18 INVESTMENTS PTE. LTD.

2 May 2017

Any inquiries relating to this Announcement or the Offer should be directed during office hours to Oversea-Chinese Banking Corporation Limited at telephone number + (65) 6530 1275.

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 any other person should not place undue reliance on such forward-looking statements, and neither the Offeror nor OCBC Bank undertakes any obligation to update publicly or revise any forward-looking statements.

APPENDIX

DISCLOSURES OF SECURITY HOLDINGS AND DEALINGS

1. Holdings of Company Securities of the Relevant Persons

The holdings of Company Securities of the Relevant Persons as at the Offer Announcement Date are set out below:

Name	Direct Interests		Deemed Interests		No. of Options
	No. of Shares	%	No. of Shares	%	
Offeror	50,482,000	23.0	-	-	-
Offeror Concert Party Group					
Mr. Goon	31,181,000 ⁽³⁾	14.2	-	-	270,000
Ms. Wee	25,132,000	11.5	-	-	217,000
Mr. Kho ⁽¹⁾⁽²⁾	17,380,000 ⁽⁴⁾	7.9	16,284,400	7.4	-
Southern Cross ⁽¹⁾	16,284,400 ⁽⁵⁾	7.4	-	-	-
Kho Choon Keng ⁽¹⁾⁽²⁾	529,000	0.2	16,284,400	7.4	-
OCBC Bank	-	-	-	-	-

Notes:

- (1) Lian Keng Enterprise Pte. Ltd. ("**Lian Keng Enterprise**") owns the entire share capital of Lian Huat Group Pte. Ltd., which in turn owns the entire share capital of Southern Cross. The shareholders of Lian Keng Enterprise are Kho Choon Keng (49%), Mr. Kho (49%), Patricia Kho Sunn Sunn (1%), Saw Gek Hua (0.8%) and Kho Chuan Kok Philip (0.2%). Kho Choon Keng, Mr. Kho, Patricia Kho Sunn Sunn and Kho Chuan Kok Philip are siblings, and Mdm Saw Gek Hua is their mother.
- (2) Mr. Kho and Kho Choon Keng are deemed to be interested in all of the 16,284,400 Shares held by Southern Cross by virtue of section 7 of the Companies Act.
- (3) 12,959,000 Shares under Mr. Goon's direct interests are registered under DBS Nominees Pte. Ltd..
- (4) 7,000,000 Shares under Mr. Kho's direct interests are registered under DB Nominees (Singapore) Pte. Ltd..
- (5) 6,284,400 Shares under Southern Cross' direct interests are registered under DBS Vickers Securities (Singapore) Pte. Ltd.

2. Dealings in Shares by the Relevant Persons

The dealings in Shares by each of the Relevant Persons (if any) during the Reference Period are set out below:

Name	Date	No. of Shares Acquired	No. of Shares Disposed	Transaction Price per Share (S\$)
Offeror	2 May 2017	50,482,000 ⁽¹⁾	-	S\$0.51
Mr. Goon	28 November 2016	3,000,000	-	S\$0.38
Mr. Goon	18 January 2017	409,000	-	S\$0.40
Mr. Kho	28 November 2016	-	3,000,000	S\$0.38

Note:

- (1) These Shares have been acquired pursuant to the Acquisition and has been completed by way of married deals.

3. Dealings in Options by the Relevant Persons

The dealings in Options by each of the Relevant Persons (if any) during the Reference Period are set out below:

Name	Date of Exercise	No. of Options Exercised	Exercise Price
Mr. Goon	9 December 2016	1,214,000	S\$0.312
Mr. Goon	9 December 2016	630,000	S\$0.400
Ms. Wee	9 December 2016	981,000	S\$0.312
Ms. Wee	9 December 2016	506,000	S\$0.400

4. Other Arrangements

Shares of the Offeror held by each of the Sponsors, the Shares which are being acquired by the Offeror pursuant to the Acquisition and the Shares which will be acquired by the Offeror pursuant to the Offer or otherwise during the offer period, will be charged to OCBC Bank, being the financing bank, as part of the security arrangements for the financing for the Offer.