POSSIBLE OFFER ANNOUNCEMENT
by

SAC CAPITAL PRIVATE LIMITED
(Company Registration No. 200401542N)
(Incorporated in the Republic of Singapore)

for and on behalf of

IDEAL HOMES INTERNATIONAL LIMITED
(Company Registration No. 2278786)
(Incorporated in Hong Kong)

to acquire all the issued and paid-up ordinary shares in the capital of

HTL INTERNATIONAL HOLDINGS LIMITED
(Company Registration No. 198904162H)
(Incorporated in the Republic of Singapore)

BY WAY OF A PROPOSED SCHEME OF ARRANGEMENT

ANNOUNCEMENT

APPROVAL FROM THE SHANTOU ADMINISTRATION OF FOREIGN EXCHANGE, RULINGS FROM THE SECURITIES INDUSTRY COUNCIL AND COMPLETION OF WAITING PERIOD UNDER U.S. PREMERGER NOTIFICATION

1. INTRODUCTION

SAC Capital Private Limited refers to the announcement dated 7 January 2016 (the "**Possible Offer Announcement**") pursuant to which it was announced for and on behalf of Ideal Homes International Limited (the "**Offeror**"), a wholly owned subsidiary of Yihua Lifestyle Technology Co., Ltd., (formerly known as Guangdong Yihua Timber Industry Co., Ltd. ("**Yihua**", and together with its subsidiaries, the "**Yihua Group**") that, subject to the fulfilment or waiver of the Pre-Conditions, the Offeror will enter into the Scheme Implementation Agreement to acquire all the issued and paid-up ordinary shares (excluding treasury shares but including shares issued and paid-up upon valid exercise of share options) in the capital of HTL International Holdings Limited ("**HTL**") (the "**Shares**") by way of a scheme of arrangement (the "**Proposed Scheme**"), pursuant to Section 210 of the Companies Act (Chapter 50) of Singapore (the "**Companies Act**") and the Singapore Code on Take-overs and Mergers (the "**Code**") (the "**Proposed Acquisition**"), the announcement dated 25 January 2016 in relation to the announcements released by Yihua on the website of the Shanghai Stock Exchange, the announcement dated 24 February 2016 (the "**Supplemental Agreement Announcement**") in relation to, *inter alia*, the execution of a supplemental agreement, the announcement dated 14 March 2016 in relation to the approval by shareholders of Yihua for the Proposed Acquisition, the announcement dated 13 April 2016 in relation to the approval from the Development and Reform Commission of Guangdong Province and the announcement dated 20 April 2016 in relation to the approval from the Department of Commerce of Guangdong Province.

All capitalised terms used and not defined herein shall have the same meanings as ascribed to them in the Possible Offer Announcement.

2. APPROVAL FROM THE SHANTOU ADMINISTRATION OF FOREIGN EXCHANGE

As at the date of this announcement, Yihua has completed the Registration of Foreign Exchange for Outbound Business in relation to the Proposed Acquisition.

3. SATISFACTION OF PRE-CONDITIONS TO THE MAKING OF THE OFFER

As at the date of this announcement, all of the Pre-Conditions set out in paragraph 3 of the Supplemental Agreement Announcement have been satisfied.

Accordingly, the Offeror and HTL will, in accordance with the Undertaking Agreement, enter into the Scheme Implementation Agreement (details of which are set out in paragraph 5 of the Possible Offer Announcement) to acquire all the issued and paid-up ordinary shares (excluding treasury shares but including shares issued and paid-up upon valid exercise of share options) in the capital of HTL, and make the Proposed Scheme joint announcement (the "Proposed Scheme Announcement"). The Proposed Scheme Announcement will set out further details of the Proposed Scheme and constitutes the Offeror's firm intention to undertake the Proposed Acquisition by way of the Proposed Scheme. Pending the release of the Proposed Scheme Announcement, the Offeror has requested HTL to halt trading in its Shares on the SGX-ST.

As the Proposed Acquisition and Proposed Scheme are subject to conditions precedent being fulfilled, there is no assurance that the Proposed Scheme and hence the Proposed Acquisition will be successfully completed. Shareholders of HTL should refer to the Proposed Scheme Announcement, when released, for more information.

Shareholders and investors must exercise caution when dealing in the Shares and to refrain from taking any action in respect of their investment in HTL without seeking prior professional advice.

4. RULINGS FROM THE SECURITIES INDUSTRY COUNCIL

An application was made by the Offeror to the Securities Industry Council (the "**SIC**") to seek certain rulings and confirmations in respect of the Proposed Scheme. The SIC ruled on 20 June 2016, *inter alia*, that it:

(a) confirms that it has no objections to the Conditions Precedent of the Scheme Implementation Agreement (details of which will be set out in the Proposed Scheme Announcement);

(b) exempts the Proposed Scheme 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 shareholder, if any, of the Offeror and HTL abstain from voting on the Proposed Scheme;

(ii) the Offeror and its concert parties abstain from voting on the Proposed Scheme;

(iii) the directors of HTL who are also directors of the Offeror, if any, abstain from making a recommendation on the Proposed Scheme to the Shareholders of HTL;

(iv) HTL appoints an independent financial adviser to advise the Shareholders of HTL on the Proposed Scheme;

(v) the documents to be produced comprising, *inter alia*, details of the Proposed Scheme, an Explanatory Statement required under Section 211(1) of the Companies Act, the Notice of the Scheme Meeting, and the proxy form to be used for the Scheme Meeting discloses the names of the Offeror and its concert parties, their current voting rights in HTL as of the latest practicable date and their voting rights in HTL after the Proposed Scheme; and

(vi) that the SIC's ruling in this paragraph (b) is subject to the Scheme Implementation Agreement being executed by 24 June 2016;

(c) confirms that the Compensation Arrangement constitutes a profit forecast under Rule 25 of the Code; and

(d) confirms that the holders of the Undertaking Shares (the "**Undertaking Shareholders**") will not be regarded as acting in concert with the Offeror by virtue of the undertaking to vote in favour of and approve the resolution(s) in relation to the Proposed Scheme, and any other matter necessary or proposed to implement the Proposed Scheme at the meeting of the Shareholders to be convened by the High Court of the Republic of Singapore, and the Compensation Arrangement, subject to the Offeror and the Undertaking Shareholders, each, providing a written confirmation to the SIC to the effect that each is not acting in concert with the other.

5. COMPLETION OF WAITING PERIOD UNDER U.S. PREMERGER NOTIFICATION

As of the date of this announcement, filing of the notification made under 15 U.S. Code § 18a – "Premerger notification and waiting period" and the associated rules, has been made, and the waiting period described therein has expired. Accordingly, the Offeror wishes to announce that this Condition Precedent in the Scheme Implementation Agreement, as described in paragraph 5.8 of the Possible Offer Announcement, has been satisfied.

6. ANNOUNCEMENT ON SHANGHAI STOCK EXCHANGE

This announcement is released in conjunction with the announcement released by Yihua on the Shanghai Stock Exchange ("**SSE**"). Shareholders should refer to the website of the SSE for the announcements released by Yihua:
http://www.sse.com.cn/assortment/stock/list/info/announcement/index.shtml?productId=600978.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

The sole director of the Offeror has taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate, that no material facts have been omitted from this announcement, and that he accepts responsibility accordingly. Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the director of the Offeror has been to ensure that such information has been accurately and correctly extracted from such sources and/or reproduced in this announcement in its proper form and context.

Issued by
SAC CAPITAL PRIVATE LIMITED

For and on behalf of
IDEAL HOMES INTERNATIONAL LIMITED
20 June 2016

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", "shall", "should", "could", "may" and "might". These statements reflect Yihua's or the Offeror's 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 should not place undue reliance on such forward-looking statements, and neither Yihua, the Offeror nor SAC Capital undertakes any obligation to update publicly or revise any forward-looking statements.

Any queries relating to this announcement should be directed during office hours to:

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