

VOLUNTARY CONDITIONAL CASH OFFER

OFFER DOCUMENT DATED 10 MARCH 2016

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about this Offer (as defined herein) or the action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. DBS Bank Ltd. ("DBS Bank") is acting for and on behalf of Merit Stand Inc. (the "Offeror") and does not purport to advise shareholders ("Shareholders") of XinRen Aluminum Holdings Limited (the "Company"). In preparing its letter to the Shareholders on behalf of the Offeror, DBS Bank has not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder.

The contents of this Offer Document have not been reviewed by any regulatory authority in any jurisdiction. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Offer Document, you should obtain independent professional advice.

The views of the Independent Directors (as defined herein) and the independent financial adviser to the Independent Directors on the Offer will be made available to you by the Company in due course. You may wish to consider their views before taking any action in relation to the Offer.

If you have sold or transferred all your issued and paid-up ordinary shares in the share capital of the Company ("Shares") held through The Central Depository (Pte) Limited ("CDP"), you need not forward this Offer Document and the accompanying Form of Acceptance and Authorisation for Offer Shares ("FAA") to the purchaser or the transferee as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the purchaser or the transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately hand this Offer Document and the accompanying Form of Acceptance and Transfer for Offer Shares ("FAT") to the purchaser or the transferee or to the bank, stockbroker or agent through whom you effected the sale or the transfer, for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited (the "SGX-ST") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

For each Offer Share: **S\$0.60** in cash

by



DBS BANK LTD.

(Company Registration No.: 196800306E)
(Incorporated in the Republic of Singapore)

for and on behalf of

MERIT STAND INC.

(Company Registration No.: 1898555)
(Incorporated in the British Virgin Islands)

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



鑫仁铝业
XINREN ALUMINUM

XINREN ALUMINUM HOLDINGS LIMITED

(Company Registration No.: 200612545H)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Merit Stand Inc.

ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 7 APRIL 2016. THE OFFEROR DOES NOT INTEND TO EXTEND THE OFFER BEYOND SUCH TIME AND DATE.

The procedures for acceptance are set out in **Appendix V** to this Offer Document and in the accompanying FAA and/or FAT.

HIGHLIGHTS OF THE OFFER

All capitalised terms used below shall bear the same meanings ascribed to them in this Offer Document.

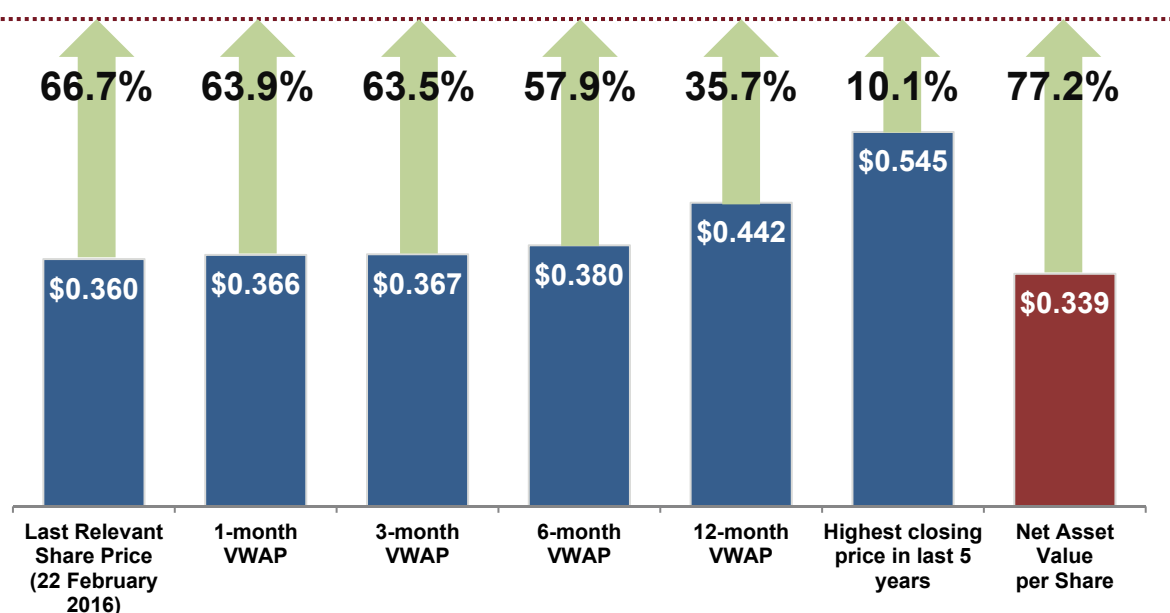
1 The Offer presents Shareholders with a clean cash exit opportunity

The Offer presents you with a clean cash exit opportunity to realise your entire investment in XinRen Aluminum at a significant premium over the historical trading prices of the Shares **without incurring brokerage and other trading costs**.

For each Offer Share: S\$0.60 in cash (the “Offer Price”)

2 The Offer Price represents a significant premium to the historical pricing benchmarks and net asset value of the Company

Offer Price: **S\$0.60**



Notes:

- The figures set out in the chart above are based on data extracted from Bloomberg L.P. on 24 February 2016.
- Respective premia are computed based on the share prices which were rounded to the nearest three (3) decimal places.
- Percentages are rounded to the nearest one (1) decimal place.
- The VWAP comparisons made are with reference to the respective periods up to and including 22 February 2016, being the last full Market Day prior to the significant increase in Share price and volume on 23 February 2016.
- The Net Asset Value per Share is computed based on the Company's latest reported net assets excluding non-controlling interests, and at an exchange rate of RMB4.5969 to S\$1.00 as at 31 December 2015.

要约亮点

所有术语的含义均以本要约文件中的定义为准。此中文版要约简介源自于英文版。如中文版和英文版存在不一致之处，皆以英文版为准。

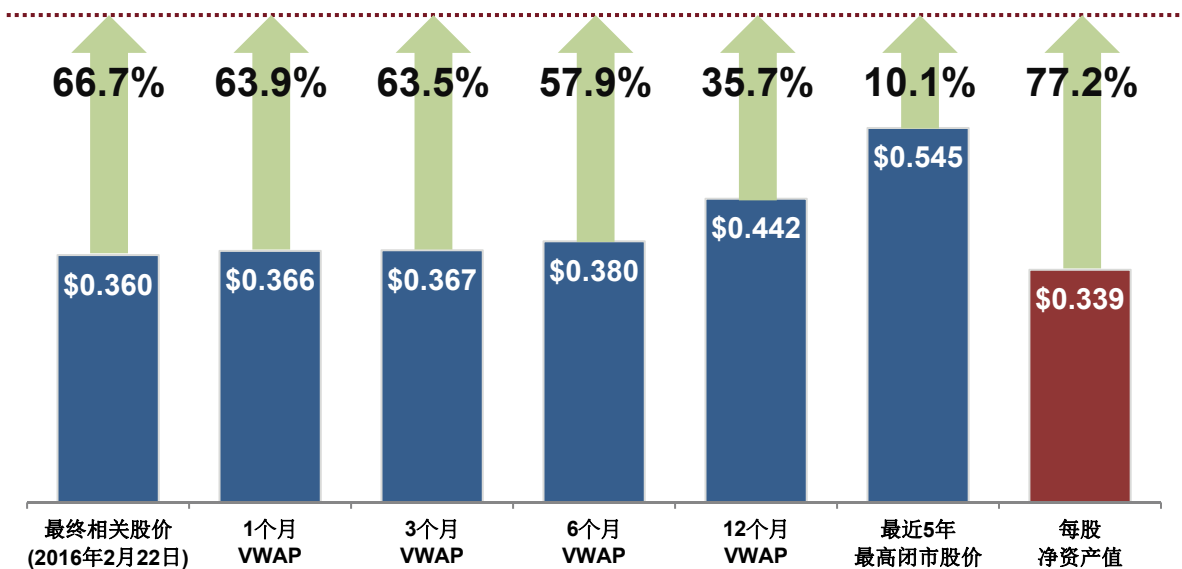
1 本要约为公司股东提供了一个套现的良机

本要约让您以相当丰厚的溢价套现您所有鑫仁铝业的股票。您同时无需承担任何经纪佣金或其它的交易费用。

每股要约价：S\$0.60现金（“要约价”）

2 对比过往股价及公司净资产值，要约价的溢价相当可观

要约价：S\$0.60



注释：

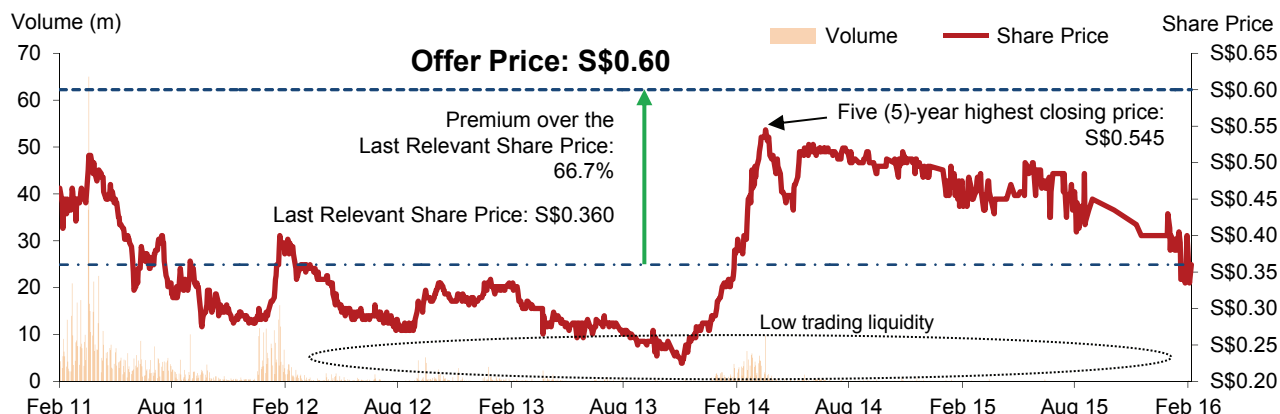
1. 数据来源：于2016年2月24日取至Bloomberg L.P.。
2. 溢价根据四舍五入至小数点后三位数的股价作为计算基础。
3. 百分比四舍五入至小数点后一位数。
4. 在2016年2月23日，股价及交易量增幅过高，因此成交量加权平均价的计算期间以2016年2月22日作为基准日。
5. 每股净资产值是根据公司2015年12月31日财务报表所汇报的净资产值（扣除非控制性权益）计算，采用汇率为1新元对人民币4.5969元。

HIGHLIGHTS OF THE OFFER

All capitalised terms used below shall bear the same meanings ascribed to them in this Offer Document.

3 The Offer Price exceeds the highest closing price in the past five (5) years

Five (5)-Year Share Price Performance^{1,2}



The Offer presents you with a clean cash exit opportunity to realise your entire investment at a significant premium over the prevailing trading prices of the Shares. This opportunity may not be readily available in the absence of the Offer, given the historical share price performance and low trading liquidity of the Shares.

4 The Offeror does not intend to preserve the listing status of the Company

The Offeror intends to make the Company its wholly-owned subsidiary.

Accordingly, the Offeror, if and when entitled, intends to exercise its rights of compulsory acquisition and does not intend to take any steps for the public float to be restored in the event that, *inter alia*, less than 10% of the total number of Shares in issue (excluding treasury Shares) are held in public hands.

¹ Closing share price of the Company over the five (5)-year period prior to and including the Last Relevant Trading Day.
² The figures set out in the chart are based on data extracted from Bloomberg L.P. on 24 February 2016.

要约亮点

所有术语的含义均以本要约文件中的定义为准。此中文版要约简介源自于英文版。如中文版和英文版存在不一致之处，皆以英文版为准。

3 要约价超过过往5年内的最高最收市价

5年股票表现图^{1,2}



本要约给予您绝佳良机以远高于过往股价的要约价套现您的投资。如果要约方没有提出本要约，基于公司股票的表现及低成交量的状况，您或许无法以较高的股价出售股票。

4 要约方没有意向维持公司的上市地位

要约方有意将公司收购成为要约方的全资附属公司，且没有意向维持公司的上市地位。一旦条件允许，要约方将会行使强制收购的权利。且如果因为公众持股量少于公司已发行股票总数（库存股票除外）的10%等原因造成公司停牌，要约方没有意向采取任何措施恢复公众持股量和/或解除停牌。

¹ 包括最终相关交易日起的公司过往5年的收市价格表。

² 数据来源：于2016年2月24日取自Bloomberg L.P.。

INSTRUCTIONS TO ACCEPT THE OFFER

All capitalised terms used below shall bear the same meanings ascribed to them in this Offer Document.

A Locate the Form of Acceptance and Authorisation for Offer Shares¹ ("FAA") in this package.

CPFIS Investors and/or SRS Investors who wish to accept the Offer should contact their respective CPF Agent Banks and/or SRS Agent Banks (namely, DBS Bank, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited).

Electronic copies of the FAA are also available from the website of the SGX-ST at www.sgx.com.

B Fill in your details, sign the FAA and return the completed and signed FAA¹.

- Under Part A, fill in the number of Offer Shares in the "Free Balance" of your CDP Securities Account that you wish to sell.

I/We hereby irrevocably authorise CDP to effect the transfer from my/our Securities Account with CDP of the following number of Offer Shares to the Securities Account of the Offeror or the Transferee maintained with CDP:

Part A	Number of Offer Shares now standing to the credit of the "Free Balance" of my/our Securities Account in respect of which the Offer is accepted	Please indicate the number of Offer Shares you wish to tender in acceptance of the Offer

NOTE: Please refer to paragraphs 2 and 3 of page 2 of this FAA for instructions on inserting the number of Offer Shares above.

- Please fill in the applicable date and proceed to sign off on the bottom right hand corner of the FAA.

Date

SPECIMEN

Signature(s)/Thumbprint(s) of Depositor(s)/Joint Depositors.
For corporations, please sign as per your signing mandate and where appropriate, the Common Seal to be affixed in accordance with your Constitution or relevant constitutive documents.

← PLEASE SIGN HERE

- Return the completed and signed FAA in the enclosed pre-addressed envelope so as to arrive **NOT LATER THAN 5.30 p.m. (Singapore time) on 7 April 2016**. The Offeror does not intend to extend the Offer beyond such time and date.

¹ Further instructions for completing the FAA are set out in the FAA and **Appendix V** to this Offer Document.

提交授权接受表格的步骤

所有术语的含义均以本要约文件中的定义为准。此中文版要约简介源自于英文版。如中文版和英文版存在不一致之处，皆以英文版为准。

A

请找出随本文件附带的授权接受表格

通过公积金投资计划和/或补充退休计划进行投资的股东如果有意接受本要约，请与您的公积金代理银行（即星展银行、华侨银行、大华银行）联络。

电子副本也可以从新交所网站www.sgx.com下载。

B

请填写并签署授权接受表格

- 请在Part A填写您在CDP证券账户上的“自由结余”项下打算出售的要约股票数目。

I/We hereby irrevocably authorise CDP to effect the transfer from my/our Securities Account with CDP of the following number of Offer Shares to the Securities Account of the Offeror or the Transferee maintained with CDP:

SPECIMEN

Please indicate the number of Offer Shares you wish to tender in acceptance of the Offer	
Part A	Number of Offer Shares now standing to the credit of the "Free Balance" of my/our Securities Account in respect of which the Offer is accepted

NOTE: Please refer to paragraphs 2 and 3 of page 2 of this FAA for instructions on inserting the number of Offer Shares above.

- 请在表格中填写适用日期并在表格右下角签名。

SPECIMEN

Date _____

Signature(s)/Thumbprint(s) of Depositor(s)/Joint Depositors.
For corporations, please sign as per your signing mandate and where appropriate, the Common Seal to be affixed in accordance with your Constitution or relevant constitutive documents.

PLEASE SIGN HERE

- 将填妥后的授权接受表格放入提前注明地址的随附信封并寄回。该邮件必须在不迟于**2016年4月7日当日下午5时30分（新加坡时间）**到达指定地址。要约方无意延长要约期限。

¹ 有关填写授权接受表格的更多说明请参见授权接受表格和要约文件的附件V。

IMPORTANT DATES AND TIMES

All capitalised terms used below shall bear the same meanings ascribed to them in this Offer Document.

Despatch of Offer Document	10 March 2016 (Thursday, Singapore time)
Last date for despatch of Company's Circular to its Shareholders	24 March 2016 (Thursday, Singapore time)
Closing Date	5.30 p.m. on 7 April 2016 (Thursday, Singapore time). The Offeror does not intend to extend the Offer beyond such time and date.

NEED HELP?

Please call DBS Bank's Help Line at +65 6878 1989 during office hours if you have any enquiries about the Offer Document or if you need assistance to complete the Acceptance Forms.

IMPORTANT NOTICE

The information in this section is a summary of this Offer Document and is qualified by, and should be read in conjunction with, the full information contained in the rest of this Offer Document. In the event of any inconsistency or conflict between the terms of summary and this Offer Document, the terms set out in this Offer Document shall prevail. Nothing in this section is intended to be, or shall be taken as, advice, recommendation or solicitation to the Shareholders or any other party. DBS Bank is acting for and on behalf of the Offeror and does not purport to advise any Shareholder.

Shareholders are advised to exercise caution when dealing in their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests.

The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available to Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the posting of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

重要日期和时间

所有术语的含义均以本要约文件中的定义为准。此中文版要约简介源自于英文版。如中文版和英文版存在不一致之处，皆以英文版为准。

要约文件寄发日期

2016年3月10日
(星期四, 新加坡时间)

公司通函的最迟寄发期

2016年3月24日
(星期四, 新加坡时间)

要约截止日期和时间

2016年4月7日下午5时30分
(星期四, 新加坡时间)
要约方无意延长要约期限

需要协助?

若您对要约文件有任何疑问或在填写相关接受表格时需要任何协助，
欢迎在办公时间致电星展银行的帮助热线 **+65 6878 1989**

重要声明

本节所载信息仅为要约文件的概要，故应于本要约文件其他部分所载的全部内容一同阅读。若概要于本要约文件存在任何不一致或相冲突的条款，则应以本要约文件中的所列条款为准。本节所列的任何信息并未意在或可被作为提供给股东或其他任何各方的意见、推荐或游说。星展银行为要约方服务并代表要约方行事，而并非旨在向任何股东提供意见。

建议股东在处置其公司股票时谨慎行事，并避免采取任何可能对其不利的有关其公司股票的行为。

独立董事和独立董事委任的独立财务顾问对该要约的意见将在合适的时候提供给股东，但无论如何，独立董事必须按新加坡收购及合并守则的规定在该要约文件寄发后的14天内寄发其意见书。股东在对该要约采取任何行动前可参考独立董事及独立财务顾问的意见。

This page has been intentionally left blank

CONTENTS PAGE

DEFINITIONS	2
1. INTRODUCTION	8
2. THE OFFER	8
3. NO CONVERTIBLE BOND OFFER	10
4. THE UNDERTAKINGS	10
5. INFORMATION ON THE OFFEROR	13
6. INFORMATION ON THE COMPANY	14
7. RATIONALE FOR THE OFFER AND INTENTIONS IN RELATION TO THE COMPANY	15
8. FINANCIAL EVALUATION OF THE OFFER	17
9. LISTING STATUS AND COMPULSORY ACQUISITION	17
10. OVERSEAS SHAREHOLDERS	18
11. CONFIRMATION OF FINANCIAL RESOURCES	20
12. DIRECTORS' RESPONSIBILITY STATEMENT	20
13. GENERAL	20
APPENDIX I — ADDITIONAL INFORMATION ON THE OFFEROR	22
APPENDIX II — ADDITIONAL INFORMATION ON THE COMPANY	24
APPENDIX III — ADDITIONAL GENERAL INFORMATION	26
APPENDIX IV — DETAILS OF THE OFFER	29
APPENDIX V — PROCEDURES FOR ACCEPTANCE	31

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Offer Document, the FAA and the FAT:

<i>“Acceptance Condition”</i>	:	Shall have the meaning ascribed to it in paragraph 2.3 of this Offer Document
<i>“CB Holders”</i>	:	Shall have the meaning ascribed to it in paragraph 3.3 of this Offer Document
<i>“CB Irrevocable Undertaking”</i>	:	Shall have the meaning ascribed to it in paragraph 4.2 of this Offer Document
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Closing Date”</i>	:	Shall have the meaning ascribed to it in paragraph 2.5(a) of this Offer Document
<i>“Code”</i>	:	The Singapore Code on Take-overs and Mergers
<i>“Companies Act”</i>	:	The Companies Act (Chapter 50 of Singapore)
<i>“Company” or “XinRen Aluminum”</i>	:	XinRen Aluminum Holdings Limited
<i>“Company Securities”</i>	:	Shall have the meaning ascribed to it in paragraph 1(a) of Appendix III to this Offer Document
<i>“Conditional Subscription and Convertible Loan Agreement”</i>	:	Shall have the meaning ascribed to it in paragraph 5.3 of this Offer Document
<i>“Convertible Bond Offer”</i>	:	Shall have the meaning ascribed to it in paragraph 3.2 of this Offer Document
<i>“Convertible Bonds”</i>	:	Shall have the meaning ascribed to it in paragraph 3.1 of this Offer Document
<i>“Convertible Loans”</i>	:	Shall have the meaning ascribed to it in paragraph 5.3(b) of this Offer Document
<i>“Convertible Securities”</i>	:	Securities convertible or exchangeable into new Shares or existing Shares
<i>“CPF”</i>	:	Central Provident Fund
<i>“CPF Agent Banks”</i>	:	Agent banks included under the CPFIS
<i>“CPFIS”</i>	:	Central Provident Fund Investment Scheme
<i>“CPFIS Investors”</i>	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
<i>“Date of Receipt”</i>	:	Shall have the meaning ascribed to it in paragraph 1(a) of Appendix V to this Offer Document
<i>“DBS Bank”</i>	:	DBS Bank Ltd.

<i>“Derivatives”</i>	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
<i>“Directors”</i>	:	The directors of the Offeror as at the Latest Practicable Date
<i>“Dissenting Shareholders”</i>	:	Shall have the meaning ascribed to it in paragraph 9.2 of this Offer Document
<i>“Electronic Acceptance”</i>	:	Shall have the meaning ascribed to it in paragraph 1(a) of Appendix V to this Offer Document
<i>“Encumbrances”</i>	:	Shall have the meaning ascribed to it in paragraph 2.1 of this Offer Document
<i>“FAA”</i>	:	Form of Acceptance and Authorisation for Offer Shares which forms part of this Offer Document and which is issued to Shareholders whose Shares are deposited with CDP
<i>“FAT”</i>	:	Form of Acceptance and Transfer for Offer Shares which forms part of this Offer Document and which is issued to Shareholders whose Shares are not deposited with CDP
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“HIGL”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
<i>“Independent Directors”</i>	:	The directors of the Company who are considered to be independent for the purposes of the Offer
<i>“JGL”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
<i>“JIL”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
<i>“Last Relevant Share Price”</i>	:	Shall have the meaning ascribed to it in paragraph 7.2 of this Offer Document
<i>“Last Relevant Trading Day”</i>	:	Shall have the meaning ascribed to it in paragraph 7.1 of this Offer Document
<i>“Last Trading Day”</i>	:	24 February 2016, being the last full day of trading in the Shares on the SGX-ST immediately prior to the Offer Announcement Date
<i>“Latest Practicable Date”</i>	:	3 March 2016, being the latest practicable date prior to the printing of this Offer Document
<i>“Listing Manual”</i>	:	The listing manual of the Main Board of the SGX-ST in force as at the Latest Practicable Date

<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading of securities
<i>“Nominee”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(a) of this Offer Document
<i>“Offer”</i>	:	The voluntary conditional cash offer by DBS Bank, for and on behalf of the Offeror, to acquire all the Offer Shares on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
<i>“Offer Announcement”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Offer Document
<i>“Offer Announcement Date”</i>	:	25 February 2016
<i>“Offer Document”</i>	:	This document issued by DBS Bank, for and on behalf of the Offeror, in respect of the Offer
<i>“Offer Period”</i>	:	The period from the Offer Announcement Date until the date the Offer is declared to have closed or lapsed
<i>“Offer Price”</i>	:	Shall have the meaning ascribed to it in paragraph 2.1 of this Offer Document
<i>“Offer Shares”</i>	:	Shall have the meaning ascribed to it in paragraph 2.2 of this Offer Document
<i>“Offeror”</i>	:	Merit Stand Inc.
<i>“Offeror Shareholders”</i>	:	Shall have the meaning ascribed to it in paragraph 5.1 of this Offer Document
<i>“Offeror Shares”</i>	:	Issued and paid-up ordinary shares in the share capital of the Offeror
<i>“Options”</i>	:	Options to subscribe for or purchase new Shares or existing Shares
<i>“Overseas Shareholder”</i>	:	Shall have the meaning ascribed to it in paragraph 10 of this Offer Document
<i>“Purchaser”</i>	:	Shall have the meaning ascribed to it in paragraph 1(a) of Appendix V to this Offer Document
<i>“Relevant Day”</i>	:	Shall have the meaning ascribed to it in paragraph 2(a) of Appendix IV to this Offer Document
<i>“Restricted Jurisdiction”</i>	:	Shall have the meaning ascribed to it in paragraph 10 of this Offer Document
<i>“RMB”</i>	:	Renminbi, being the lawful currency of the People’s Republic of China

<i>“S\$” and “cents”</i>	:	Singapore dollars and cents, being the lawful currency of Singapore
<i>“Sale Interest”</i>	:	Shall have the meaning ascribed to it in paragraph 4.2(c) of this Offer Document
<i>“Securities Account”</i>	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account
<i>“Securities and Futures Act”</i>	:	The Securities and Futures Act (Chapter 289 of Singapore)
<i>“Set-Off”</i>	:	Shall have the meaning ascribed to it in paragraph 5.3(a) of this Offer Document
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholder”</i>	:	Holders of Shares (including persons whose/which Shares are deposited with CDP or who/which have purchased Shares on the SGX-ST)
<i>“Shareholding Proportion”</i>	:	Shall have the meaning ascribed to it in paragraph 5.1 of this Offer Document
<i>“Shares”</i>	:	Issued and paid-up ordinary shares in the share capital of the Company
<i>“SIC”</i>	:	Securities Industry Council of Singapore
<i>“SIGC”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
<i>“SIL”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
<i>“SRS”</i>	:	Supplementary Retirement Scheme
<i>“SRS Agent Banks”</i>	:	Agent banks included under the SRS
<i>“SRS Investors”</i>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<i>“Subscription”</i>	:	Shall have the meaning ascribed to it in paragraph 5.3(a) of this Offer Document
<i>“Trust Deed”</i>	:	Shall have the meaning ascribed to it in paragraph 4.2 of this Offer Document
<i>“Unsuccessful Offer”</i>	:	Shall have the meaning ascribed to it in paragraph 3(e) of Appendix IV to this Offer Document
<i>“US\$”</i>	:	The lawful currency of the United States of America
<i>“VWAP”</i>	:	Volume weighted average price

“Warrants”	:	Rights to subscribe for or purchase new Shares or existing Shares
“XL”	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
“YL”	:	Shall have the meaning ascribed to it in paragraph 4.1(b) of this Offer Document
“Zeng Family Arrangements”	:	Shall have the meaning ascribed to it in paragraph 4.1(a) of this Offer Document
“Zeng Family Irrevocable Undertakings”	:	Shall have the meaning ascribed to it in paragraph 4.1(a) of this Offer Document
“Zeng Family Members”	:	Shall have the meaning ascribed to it in paragraph 4.1(a) of this Offer Document
“%”	:	Per centum or percentage

Acting in Concert. The expression “acting in concert” shall have the meaning ascribed to it in the Code.

Depositors and Depository Agents. The terms “depositor” and “depository agent” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Gender. Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

Headings. The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

Rounding. Any discrepancies in figures included in this Offer Document between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Document may not be arithmetic aggregations of the figures that precede them.

Shareholders. References to “you”, “your” and “yours” in this Offer Document are, as the context so determines, to Shareholders (including persons whose Offer Shares are deposited with CDP or who have purchased Offer Shares on the SGX-ST).

Statutes. Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the Listing Manual or the Code or any modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual or the Code, or any modification thereof, as the case may be, unless the context otherwise requires.

Time and Date. Any reference to a time of the day and date in this Offer Document shall be a reference to Singapore time and date, respectively, unless otherwise stated.

Total Number of issued Shares. Any reference in this Offer Document to the total number of issued Shares is a reference to a total of 1,303,567,528 Shares (excluding 6,980,000 treasury Shares) as at the Latest Practicable Date (based on the results of the electronic instant information search of the Company dated the Latest Practicable Date obtained from the Accounting and Corporate Regulatory Authority of Singapore).

Forward-Looking Statements

All statements other than statements of historical facts included in this Offer Document 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 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 the Offeror nor DBS Bank guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.



DBS BANK LTD.

(Company Registration No.: 196800306E)
(Incorporated in the Republic of Singapore)

12 Marina Boulevard, Level 46
Marina Bay Financial Centre Tower 3
Singapore 018982

10 March 2016

To: Shareholders of XinRen Aluminum Holdings Limited

Dear Sir/Madam

VOLUNTARY CONDITIONAL CASH OFFER BY DBS BANK, FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES

1. INTRODUCTION

- 1.1 On the Offer Announcement Date, DBS Bank announced, for and on behalf of the Offeror, that the Offeror intends to make the Offer for the Offer Shares (as defined below) in accordance with Rule 15 of the Code (the “**Offer Announcement**”). A copy of the Offer Announcement is available on the website of the SGX-ST at www.sgx.com.
- 1.2 This Offer Document contains the formal offer by DBS Bank, for and on behalf of the Offeror, to acquire all the Offer Shares. We urge you to read this document carefully and properly consider this Offer.

2. THE OFFER

2.1 Consideration

For each Offer Share: S\$0.60 in cash (the “Offer Price”).

The Offer Shares will be acquired (a) fully paid-up; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever (“**Encumbrances**”); and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights, other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date).

If any dividend, right, other distribution or return of capital is announced, declared, paid or made by the Company on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price payable by an amount equivalent to such dividend, right, other distribution or return of capital paid or made by the Company to Shareholders who accept or have accepted the Offer.

2.2 Offer Shares

The Offer is extended, on the same terms and conditions, to all the Shares, other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer (the “**Offer Shares**”).

2.3 Conditional Offer

The Offer is conditional upon the Offeror having received, by the Closing Date, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror before or during the Offer, will result in the Offeror holding **not less than 90%** of the total number of issued Shares as at the date of the Offer (the “**Acceptance Condition**”).

The Offeror reserves the right to reduce the Acceptance Condition to a lower minimum acceptance level, provided that such revision may only be made after obtaining the consent of the SIC. In the event that the Acceptance Condition is revised, the revised Offer shall remain open for another 14 days following such revision and Shareholders who have accepted the Offer will be permitted to withdraw their acceptances within eight (8) days of notification of such revision.

Save for the Acceptance Condition, the Offer will be unconditional in all other respects.

2.4 Warranty

Acceptance of the Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting Shareholder that each Offer Share tendered in acceptance of the Offer is sold by the accepting Shareholder, as or on behalf of the beneficial owner(s) thereof, (a) fully paid-up; (b) free from Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights, other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date).

2.5 Duration of the Offer

(a) Closing Date

Except insofar as the Offer may be withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of this Offer Document.

The Offer will close at 5.30 p.m. on 7 April 2016 (the “Closing Date”). The Offeror does not intend to extend the Offer beyond 5:30 p.m. on the Closing Date. Notice is hereby given that the Offer will not be open for acceptance beyond 5:30 p.m. on the Closing Date.

(b) Final Day Rule

Pursuant to Rule 22.9 of the Code, the Offer (whether revised or not) will not be capable of becoming or being declared to be unconditional as to acceptances after 5.30 p.m. on the 60th day after the date of posting of this Offer Document or of being kept open after the expiry of such period, unless it has previously become or been declared to be unconditional as to acceptances, except with the prior approval of the SIC. The SIC will consider granting such permission in circumstances, including but not limited to, where a competing offer has been announced.

(c) **Revision**

Pursuant to Rule 20.1 of the Code, the Offer, if revised, will remain open for acceptance for a period of at least 14 days from the date of despatch of the written notification of the revision to Shareholders. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders, including those who had previously accepted the Offer.

(d) **No Obligation to Extend Offer**

The Offeror is not obliged to extend the Offer if the Acceptance Condition is not fulfilled by the Closing Date.

2.6 Details of the Offer

Appendix IV to this Offer Document sets out further details on (a) the settlement of the consideration for the Offer; (b) the requirements relating to the announcement of the level of acceptances of the Offer; and (c) the right of withdrawal of acceptances of the Offer.

2.7 Procedures for Acceptance

Appendix V to this Offer Document sets out the procedures for acceptance of the Offer.

3. NO CONVERTIBLE BOND OFFER

- 3.1 As at the Latest Practicable Date, based on the latest information available to the Offeror, the Company has issued convertible bonds in the principal amount of US\$250 million which are due in 2020 ("**Convertible Bonds**"). The Convertible Bonds are convertible into new Shares at the initial conversion price of S\$1.01 per new Share.
- 3.2 Pursuant to Rule 19 of the Code, an appropriate offer must be made for the Convertible Bonds and such offer will be conditional upon the Offer becoming or being declared unconditional in all respects (the "**Convertible Bond Offer**").
- 3.3 Pursuant to the CB Irrevocable Undertaking (as defined in paragraph 4.2 below), the holders of all the Convertible Bonds ("**CB Holders**") have agreed and undertaken to, *inter alia*, waive the Offeror's obligation to make the Convertible Bond Offer. The SIC has given its approval to waive the Offeror's obligation to make the Convertible Bond Offer in accordance with Rule 19 of the Code. Accordingly, the Offeror will not make the Convertible Bond Offer to acquire the Convertible Bonds.

4. THE UNDERTAKINGS

4.1 Zeng Family Irrevocable Undertakings

- (a) Each of Mr. Zeng Chaoyi, Mr. Zeng Chaolin, Mdm. Deng Eying, Ms. Zeng Hong, Ms. Zeng Mingliu, Ms. Zeng Yiliu and Mr. Zeng Xiaoqiao (each, a "**Zeng Family Member**" and collectively, the "**Zeng Family Members**") has executed an irrevocable undertaking dated 25 February 2016 (each, a "**Zeng Family Irrevocable Undertaking**" and collectively, the "**Zeng Family Irrevocable Undertakings**") in favour of the Offeror, pursuant to which each of them has agreed and undertaken to, *inter alia*, (i) accept, or procure the acceptance of, the Offer in respect of all the Shares held by him or her (whether directly, or indirectly through his or her nominee, trustee or other designated person holding such Shares on his or her behalf (the

“Nominee”)); and (ii) undertake the Subscription (as defined in paragraph 5.3(a) below) and the Set-Off (as defined in paragraph 5.3(a) below) (such arrangements between the Zeng Family Members and the Offeror, the **“Zeng Family Arrangements”**).

- (b) As at the Latest Practicable Date, the Offer Shares held, directly or indirectly, by each Zeng Family Member are as follows:

Zeng Family Member	Number of Offer Shares	Percentage of total number of issued Shares (%)
Mr. Zeng Chaoyi ⁽¹⁾	432,401,161	33.17
Mr. Zeng Chaolin ⁽²⁾	421,874,516	32.36
Mdm. Deng Eying ⁽³⁾	39,441,581	3.03
Ms. Zeng Hong ⁽⁴⁾	28,473,839	2.18
Ms. Zeng Mingliu ⁽⁵⁾	26,044,290	2.00
Ms. Zeng Yiliu ⁽⁶⁾	24,119,000	1.85
Mr. Zeng Xiaoqiao ⁽⁷⁾	11,742,645	0.90

Notes:

- (1) Mr. Zeng Chaoyi’s interest in the Shares is held through Sunshine International Global Capital Ltd (**“SIGC”**). Mr. Zeng Chaoyi is the sole shareholder and director of SIGC.
- (2) Mr. Zeng Chaolin’s interest in the Shares is held through Jiakai International Ltd (**“JIL”**). Mr. Zeng Chaolin is the sole shareholder and director of JIL.
- (3) Mdm. Deng Eying’s interest in the Shares is held through Shunqi International Ltd (**“SIL”**). Mdm. Deng Eying is the sole shareholder and director of SIL.
- (4) Ms. Zeng Hong’s interest in the Shares is held through Yansheng Ltd (**“YL”**). Ms. Zeng Hong is the sole shareholder and director of YL.
- (5) Ms. Zeng Mingliu’s interest in the Shares is held through Jintudi Group Ltd (**“JGL”**). Ms. Zeng Mingliu is the sole shareholder and director of JGL.
- (6) Ms. Zeng Yiliu’s interest in the Shares is held through Xijin Ltd (**“XL”**). Ms. Zeng Yiliu is the sole shareholder and director of XL.
- (7) Mr. Zeng Xiaoqiao’s interest in the Shares is held through Hanwen International Group Ltd (**“HIGL”**). Mr. Zeng Xiaoqiao is the sole shareholder and director of HIGL.

- (c) Each of the Zeng Family Irrevocable Undertakings will terminate, lapse and cease to have any effect, on the date the Offer is withdrawn or lapses or fails to become unconditional in all respects for whatever reason other than as a result of a breach by the relevant Zeng Family Member of any of his or her obligations under his or her Zeng Family Irrevocable Undertaking.

- (d) The SIC has confirmed that the Zeng Family Arrangements do not constitute special deals for the purpose of Rule 10 of the Code.

As at the Latest Practicable Date, the Zeng Family Irrevocable Undertakings relate to an aggregate of 984,097,032 Offer Shares, representing approximately 75.49% of the total number of issued Shares.

4.2 CB Irrevocable Undertaking

Each of Clear Marvel Limited 湛奇有限公司, Lotus Pacific Investment Holding Limited, Victory Access Enterprise Ltd. and Southwest Securities International Securities Limited, being the CB Holders holding 100% of the Convertible Bonds, and Madison Pacific Trust Limited, being the trustee of the trust deed dated 20 August 2015 (as amended) in connection with the Convertible Bonds (the “**Trust Deed**”) has, collectively executed an irrevocable undertaking dated 25 February 2016 (the “**CB Irrevocable Undertaking**”) in favour of the Offeror pursuant to which each of them has agreed and undertaken, *inter alia*, that, for so long as the Offer Price (or any increased Offer Price) does not exceed the prevailing conversion price of the Convertible Bonds:

- (a) it will waive the obligation of the Offeror (whether under the Code, the Trust Deed or otherwise) to make the Convertible Bond Offer in respect of all the Convertible Bonds held or owned by it. If the Offeror is required to make the Convertible Bond Offer (whether pursuant to the Code or otherwise), such CB Holder will not accept the Convertible Bond Offer in respect of the whole or any part of the Convertible Bonds held or owned by it during the Relevant Period (as defined below);
- (b) it will not convert the whole or any part of the Convertible Bonds held or owned by it into Shares during the Relevant Period; and
- (c) if a CB Holder desires to transfer the whole or any part of the Convertible Bonds held or owned by it (“**Sale Interest**”) during the Relevant Period, such CB Holder will procure that the transferee of such Sale Interest executes, and delivers to the Offeror, an undertaking (substantially in form and substance similar to the CB Irrevocable Undertaking) before completing the transfer of the Sale Interest. Any purported transfer of Sale Interest during the Relevant Period which does not comply with the foregoing will be void.

For the purposes of this paragraph 4.2:

- (i) “**Compulsory Acquisition**” means the compulsory acquisition of the Offer Shares by the Offeror under Section 215(1) or Section 215(3) of the Companies Act pursuant to the Offer;
- (ii) “**Extended Relevant Period**” means the period extending the Original Relevant Period and commencing from the final day of the Original Relevant Period and ending on (including such date) the later of:
 - (A) if the Offeror is bound by the Compulsory Acquisition, the earlier of: (1) the date of completion of the Compulsory Acquisition; and (2) the date falling six (6) months from the date of despatch of the Offer Document (the “**Offer Document Despatch Date**”); or
 - (B) such new date as may be notified in writing by the CB Holders;
- (iii) “**Original Relevant Period**” means the period commencing from the date of the CB Irrevocable Undertaking and ending (including such date) on the earliest of, *inter alia*:
 - (A) if the Offer Document is not despatched within 21 days from the Offer Announcement Date, the market day immediately after such period;
 - (B) the date the Offer is withdrawn or lapses;

(C) depending on the acceptance level and taken together with the Shares owned, controlled or agreed to be acquired by the Offeror before or during the Offer, the date falling 60 days or 90 days after the Offer Document Despatch Date; and

(D) the date the Offeror becomes bound by the Compulsory Acquisition; and

(iv) **“Relevant Period”** means the Original Relevant Period and, if applicable, together with the Extended Relevant Period.

4.3 Save for the Zeng Family Irrevocable Undertakings and the CB Irrevocable Undertaking, as at the Latest Practicable Date, neither the Offeror nor any party acting in concert with the Offeror has received any irrevocable undertakings from any other party to accept or reject the Offer.

5. **INFORMATION ON THE OFFEROR**

5.1 The Offeror is an investment holding company incorporated in the British Virgin Islands. As at the Latest Practicable Date, the Offeror has an issued and paid-up capital of US\$1.00, consisting of 10,000 Offeror Shares, held by the following seven (7) individuals (collectively, the **“Offeror Shareholders”**) in the following shareholding proportion (**“Shareholding Proportion”**):

Offeror Shareholders	Shareholding Percentage (%)
Mr. Zeng Chaoyi	43.94
Mr. Zeng Chaolin	42.87
Mdm. Deng Eying	4.01
Ms. Zeng Hong	2.89
Ms. Zeng Mingliu	2.65
Ms. Zeng Yiliu	2.45
Mr. Zeng Xiaoqiao	1.19
Total	100.00

5.2 As at the Latest Practicable Date, the board of Directors comprises each of the Offeror Shareholders and Mr. Liang Hongbo.

Each of Mr. Zeng Chaolin, Mr. Liang Hongbo, Ms. Zeng Mingliu and Mr. Zeng Xiaoqiao is an executive director of the Company.

5.3 Pursuant to the terms of the conditional subscription and convertible loan agreement dated 25 February 2016 between the Offeror and each Zeng Family Member (the **“Conditional Subscription and Convertible Loan Agreement”**), each Zeng Family Member has agreed as follows:

(a) subject to the Offer being declared unconditional, to subscribe for a number of Offeror Shares equivalent to the number of Offer Shares held (directly or indirectly) by him or her (as set out in paragraph 4.1(b)) (**“Subscription”**) and for this purpose, set-off in full the consideration that such Zeng Family Member (and/or his or her Nominee) would receive pursuant to the acceptance of the Offer against the subscription amount payable by such Zeng Family Member for the Subscription (**“Set-Off”**); and

- (b) to grant, in his or her Shareholding Proportion, an interest-free loan to the Offeror for the purpose of funding the Offer (collectively, the “**Convertible Loans**”). The Convertible Loans will be repaid or converted into Offeror Shares as follows:
 - (i) in the event that the Offer lapses or is withdrawn, the Offeror shall repay the outstanding Convertible Loans in full to the Zeng Family Members within a prescribed period after the Offer is declared to have lapsed or withdrawn;
 - (ii) in the event that the Offer is declared to be unconditional in all respects, the Offeror may convert the outstanding Convertible Loans into Offeror Shares (which shall be credited as fully paid-up) by notifying the Zeng Family Members; or
 - (iii) in such other manner as may be agreed among the Zeng Family Members and the Offeror.

5.4 **Appendix I** to this Offer Document sets out certain additional information on the Offeror.

6. **INFORMATION ON THE COMPANY**

- 6.1 Based on publicly available information, the Company was incorporated under the laws of Singapore on 29 August 2006 and was listed on the Main Board of the SGX-ST on 27 October 2010 and is principally engaged in (a) the smelting and sale of primary aluminium in the form of ingots and plates; (b) the fabrication of primary aluminium into and sale of value-added products such as aluminium sheets, coils and foils; and (c) trading in alumina and primary aluminium products sourced from third parties. The Company operates two (2) primary aluminium smelting plants in Shihezi City, Xinjiang Uyghur Autonomous Region and Liupanshui City, Guizhou Province, and one (1) aluminium fabrication plant in Jiangyin City, Jiangsu Province, in the People’s Republic of China.
- 6.2 As at the Latest Practicable Date, based on publicly available information, the issued and paid-up share capital of the Company comprises 1,310,547,528 Shares (including 6,980,000 treasury Shares).
- 6.3 As at the Latest Practicable Date, based on publicly available information:
 - (a) the board of directors of the Company comprises the following:
 - (i) Mr. Zeng Chaolin (Executive Chairman and Chief Executive Officer);
 - (ii) Ms. Zeng Mingliu (Executive Director);
 - (iii) Mr. Zeng Xiaoqiao (Executive Director);
 - (iv) Mr. Liang Hongbo (Executive Director);
 - (v) Mr. Chen Timothy Teck-Leng @ Chen Teck Leng (Non-Executive Lead Independent Director);
 - (vi) Mr. Loh Weng Whye (Non-Executive Independent Director); and
 - (vii) Mr. Liu Jingan (Non-Executive Independent Director);
 - (b) the issued and paid-up share capital of the Company comprises 1,303,567,528 Shares (excluding 6,980,000 treasury Shares); and
 - (c) the Company does not have any share option scheme.
- 6.4 **Appendix II** to this Offer Document sets out additional information on the Company.

7. RATIONALE FOR THE OFFER AND INTENTIONS IN RELATION TO THE COMPANY

7.1 Low Trading Liquidity of Shares

The trading volume of the Shares has been low, with an average daily trading volume of approximately 59,775 Shares, 42,479 Shares and 39,161 Shares during the one (1)-month period, three (3)-month period and 12-month period up to and including 22 February 2016 (the “**Last Relevant Trading Day**”), being the last full Market Day prior to the significant increase in Share price¹ and volume² on 23 February 2016. Each of these represents less than 0.005% of the total number of issued Shares for any of the aforementioned relevant periods.

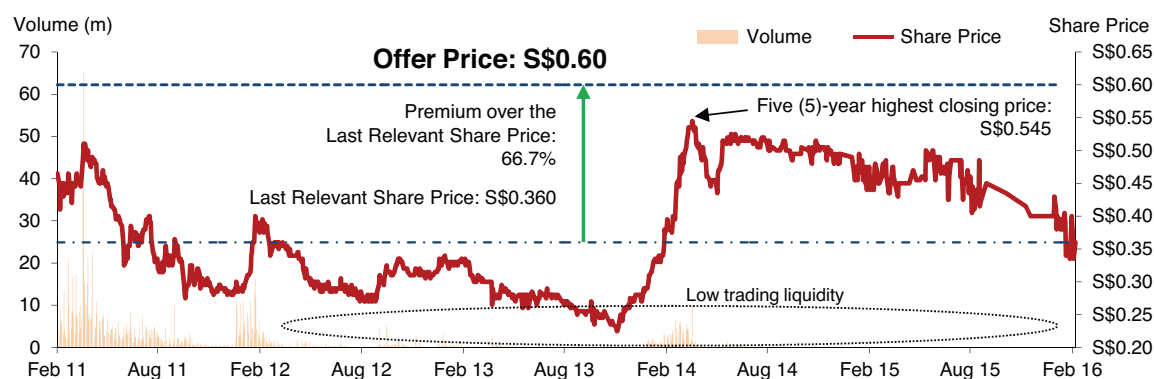
The Offer therefore provides Shareholders with a unique cash exit opportunity for Shareholders to realise their entire investment at a premium to the prevailing market prices of the Shares, an option which may not otherwise be readily available due to the low trading liquidity of the Shares.

7.2 Offer Price at a Significant Premium to Historical Prices

The Offer Price represents a premium of approximately 66.7% over the last transacted price per Share of S\$0.360 (the “**Last Relevant Share Price**”) on the Last Relevant Trading Day.

When compared to the benchmark prices of the Shares up to and including the Last Relevant Trading Day, the Offer Price also represents a premium of approximately 63.9%, 63.5%, 57.9% and 35.7% over the VWAP per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods, respectively.

Five (5)-Year Share Price Performance⁽¹⁾⁽²⁾



Notes:

- (1) Closing share price of the Company over the five (5)-year period prior to and including the Last Relevant Trading Day.
- (2) The figures set out in the chart above are based on data extracted from Bloomberg L.P. on 24 February 2016.

¹ The highest traded price and the closing price on 23 February 2016 was S\$0.440 and S\$0.420 respectively, being 22.2% and 16.7% higher than the closing price of S\$0.360 on the Last Relevant Trading Day, and 20.2% and 14.8% higher than the VWAP of the Shares for the one (1)-month period prior to and including the Last Relevant Trading Day of S\$0.366.

² Volume traded on 23 February 2016 was 453,900 Shares, representing 11.6 times the average daily trading volume of 39,161 Shares during the 12-month period up to and including the Last Relevant Trading Day.

In addition, the Offer Price exceeds the five (5)-year highest closing price and would allow Shareholders to attain a more favourable exit as compared to their entry prices in the past five (5) years.

The Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment in Shares at a significant premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs. This opportunity may not be readily available in the absence of the Offer, given the historical share price performance and low trading liquidity of the Shares.

7.3 Greater Management Flexibility

The Offeror is making the Offer with a view to delisting the Company from the SGX-ST and exercising any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act. The Offeror believes that privatising the Company will give the Offeror and the management of the Company more flexibility to manage the business of the Group, optimise the use of its management and capital resources and facilitate the implementation of any operational change, because privatisation will free up the time of the directors and management team of the Group, and reduce financial resources otherwise required, in ensuring the Group's compliance with, *inter alia*, continuing listing requirements. Such savings in time and financial resources can in turn be redeployed to growing the business of the Group. Further, the directors and management of the Group will have more flexibility in managing the business of the Group after the Company is privatised without having to consider the general expectations of public shareholders (for example, considerations relating to dividend expectations, investment horizons and risk tolerance).

7.4 Compliance Costs of Maintaining Listing

In maintaining its listed status, the Company incurs compliance and associated costs. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.

7.5 Intention to Delist and Privatise the Company

As set out in paragraph 9.3 below, the Offer is made by the Offeror with a view to delisting the Company from the Main Board of the SGX-ST and depending on the outcome of the Offer, the Offeror intends to exercise its rights of compulsory acquisition under the Companies Act if it is entitled to do so.

7.6 Offeror's Intentions in relation to the Company

Subsequent to the Closing Date and depending on the outcome of the Offer, the Offeror intends to undertake a review of the Company's businesses and operations as well as evaluate strategic options. Save as disclosed above, the Offeror has no current intention to (a) make any major changes to the existing businesses of the Company; (b) redeploy the fixed assets of the Company; or (c) discontinue the employment of the existing employees of the Group, other than in the ordinary course of business. Nonetheless, the Offeror retains the flexibility to, at any time, consider options or opportunities which may present themselves, or may be required, and which it regards to be in the best interests of the Offeror and/or the Group.

8. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia over the historical traded prices of the Shares:

Description	Share Price (S\$) ⁽¹⁾	Premium over Share Price ⁽²⁾ (%)
(a) Last Relevant Share Price	0.360	66.7
(b) VWAP of the Shares traded on the SGX-ST for the one (1)-month period prior to and including the Last Relevant Trading Day	0.366	63.9
(c) VWAP of the Shares traded on the SGX-ST for the three (3)-month period prior to and including the Last Relevant Trading Day	0.367	63.5
(d) VWAP of the Shares traded on the SGX-ST for the six (6)-month period prior to and including the Last Relevant Trading Day	0.380	57.9
(e) VWAP of the Shares traded on the SGX-ST for the 12-month period prior to and including the Last Relevant Trading Day	0.442	35.7
(f) Highest closing price for the Shares in five (5) years up to and including the Last Relevant Trading Day	0.545	10.1
(g) Net Asset Value per Share ⁽³⁾ as at 31 December 2015	0.339	77.2

Notes:

- (1) The figures set out in the table above are based on data extracted from Bloomberg L.P on 24 February 2016.
- (2) Computed based on the share prices which were rounded to the nearest three (3) decimal places.
- (3) The Net Asset Value per Share is computed based on the Company's latest reported net assets excluding non-controlling interests, and at an exchange rate of RMB4.5969 to S\$1.00 as at 31 December 2015.

9. LISTING STATUS AND COMPULSORY ACQUISITION

9.1 Listing Status

Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and parties acting in concert with it to above 90% of the total number of Shares in issue (excluding treasury Shares), the SGX-ST may suspend the trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of Shares in issue (excluding treasury Shares) are held by at least 500 Shareholders who are members of the public.

Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares in issue (excluding treasury Shares), thus causing the percentage of the total number of Shares in issue (excluding treasury Shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the Closing Date.

Pursuant to Rule 724(1) of the Listing Manual, if the percentage of the Shares held in public hands falls below 10%, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual 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 the Shares held in public hands to at least 10%, failing which the Company may be delisted.

9.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of issued Shares as at the date of the Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding, for the avoidance of doubt, any treasury Shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from Shareholders who have not accepted the Offer at a price equal to the Offer Price.

Shareholders who have not accepted the Offer ("**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 the Shares held by the Offeror, 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 advice.**

9.3 Offeror's Intentions

The Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps for the public float to be restored and/or for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, *inter alia*, less than 10% of the total number of Shares in issue (excluding treasury Shares) are held in public hands. In addition, the Offeror also reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.

10. OVERSEAS SHAREHOLDERS

The availability of the Offer to Shareholders whose addresses are outside Singapore, as shown on the register of members of the Company or, as the case may be, in the records of CDP (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements, and exercise caution in relation to the Offer, as this Offer Document, the FAAs and the FATs have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending this Offer Document, the FAAs and/or the FATs to any overseas**

jurisdictions, the Offeror, DBS Bank and CDP each reserves the right not to send these documents to Shareholders in such overseas jurisdictions. For the avoidance of doubt, the Offer is open to all Shareholders, including those to whom this Offer Document, the FAAs and/or the FATs have not been, or may not be, sent.

Copies of this Offer Document and any other formal documentation relating to the Offer 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 Offer would violate the law of that jurisdiction (a “**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 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 Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

Overseas Shareholders may, nonetheless, obtain copies of this Offer Document, the FAAs and/or the FATs and any related documents, during normal business hours and up to the Closing Date, from the Offeror through its receiving agent, The Central Depository (Pte) Limited (if he is a depositor) at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588, or Boardroom Corporate & Advisory Services Pte. Ltd. (if he is a scripholder) at its office located at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623.

Alternatively, an Overseas Shareholder may write to the Offeror through The Central Depository (Pte) Limited (if he is a depositor) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934, or Boardroom Corporate & Advisory Services Pte. Ltd. (if he is a scripholder) at the address listed above, to request for this Offer Document, the FAAs and/or the FATs and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder’s own risk, up to three (3) Market Days prior to the Closing Date.

It is the responsibility of any Overseas Shareholder who wishes to (a) request for this Offer Document, the FAAs and/or the FATs and any related documents; and/or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including DBS Bank) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including DBS Bank) may be required to pay. In (i) requesting for this Offer Document, the FAAs and/or the FATs and any related documents; and/or (ii) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and DBS Bank 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 any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

The Offeror and DBS Bank each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and 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, notice or advertisement.

11. CONFIRMATION OF FINANCIAL RESOURCES

DBS 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 acceptance of the Offer by the holders of the Offer Shares on the basis of the Offer Price (excluding the consideration payable for the Shares to be tendered by the Zeng Family Members (and/or their respective Nominees) in acceptance of the Offer pursuant to the Zeng Family Irrevocable Undertakings which are subject to the Set-Off).

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of the preparation of this Offer Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Offer Document (excluding information relating to the Company or any opinion expressed by the Company) are fair and accurate and that there are no other material facts not contained in this Offer Document, the omission of which would make any statement in this Offer Document misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, 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, reflected or reproduced in this Offer Document.

The Directors jointly and severally accept responsibility accordingly.

13. GENERAL

Any omission relating to the despatch of this Offer Document, the FAAs and/or the FATs, or any notice, advertisement or announcement required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made shall not invalidate the Offer in any way.

The Offer, this Offer Document, the FAAs and/or the FATs, all acceptances of the Offer, all contracts made pursuant thereto and all actions taken or deemed to be taken in connection with any of the foregoing shall be governed by, and construed in accordance with, the laws of Singapore and all accepting Shareholders agree, by accepting the Offer, to submit to the non-exclusive jurisdiction of the Singapore courts.

CPFIS Investors will receive further information on how to accept the Offer from the CPF Agent Banks directly. CPFIS Investors are advised to consult their respective 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. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts.

SRS Investors will receive further information on how to accept the Offer from the SRS Agent Banks directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice. SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks by the deadline stated in the letter from their respective SRS Agent Banks. SRS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their SRS investment accounts.

Unless expressly provided otherwise in this Offer Document, the FAAs and/or the FATs, a person who is not a party to any contracts made pursuant to the Offer, this Offer Document, the FAAs and/or the FATs has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

The Offeror and DBS Bank each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the FAA and/or the FAT, or if made otherwise than in accordance with the provisions herein and in the FAA and/or the FAT.

DBS Bank is acting for and on behalf of the Offeror and does not purport to advise the Shareholders. In preparing its letter to the Shareholders for and on behalf of the Offeror, DBS Bank has not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder.

The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available to Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the posting of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

Appendix III to this Offer Document sets out additional general information relating to the Offer. Your attention is drawn to all the Appendices which form part of this Offer Document.

Issued by
DBS BANK LTD.

For and on behalf of
MERIT STAND INC.

10 March 2016

Any inquiries relating to this Offer Document or the Offer should be directed during office hours to:

DBS Bank Ltd.
Strategic Advisory

Tel: (65) 6878 1989

APPENDIX I — ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS OF THE OFFEROR

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Zeng Chaoyi	27F, 360 Pudong South Road, New Shanghai International Tower, Shanghai, China, 200120	Director
Mr. Zeng Chaolin	129 Kim Tian Road, #04-129, Kim Tian Vista, Singapore 160129	Director
Mdm. Deng Eying	27F, 360 Pudong South Road, New Shanghai International Tower, Shanghai, China, 200120	Director
Ms. Zeng Hong	27F, 360 Pudong South Road, New Shanghai International Tower, Shanghai, China, 200120	Director
Ms. Zeng Mingliu	9 Sin Ming Walk, #13-01, The Gardens At Bishan, Singapore 575578	Director
Ms. Zeng Yiliu	27F, 360 Pudong South Road, New Shanghai International Tower, Shanghai, China, 200120	Director
Mr. Zeng Xiaoqiao	129 Kim Tian Road, #04-129, Kim Tian Vista, Singapore 160129	Director
Mr. Liang Hongbo	129 Kim Tian Road, #04-129, Kim Tian Vista, Singapore 160129	Director

2. REGISTERED OFFICE OF THE OFFEROR

The registered office of the Offeror is at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

3. PRINCIPAL ACTIVITIES OF THE OFFEROR

The Offeror is a special purpose vehicle incorporated in the British Virgin Islands on 3 December 2015. Its principal activity is investment holding. The Offeror has not carried on any business since its incorporation, except to enter into the Zeng Family Irrevocable Undertakings, the CB Irrevocable Undertaking, the Conditional Subscription and Convertible Loan Agreement and certain agreements relating to the Offer.

4. SUMMARY OF FINANCIAL INFORMATION

As the Offeror was recently incorporated on 3 December 2015, no audited financial statements of the Offeror have been prepared since the date of its incorporation. As no audited financial statements of the Offeror have been prepared to date, there are no significant accounting policies to be noted.

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save for making and financing the Offer, there has been no known material changes in the financial position of the Offeror since the date of its incorporation.

APPENDIX II — ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

The names, addresses and descriptions of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Zeng Chaolin	129 Kim Tian Road, #04-129, Kim Tian Vista, Singapore 160129	Executive Chairman and Chief Executive Officer
Mr. Zeng Mingliu	9 Sin Ming Walk, #13-01, The Gardens At Bishan, Singapore 575578	Executive Director
Mr. Zeng Xiaoqiao	129 Kim Tian Road, #04-129, Kim Tian Vista, Singapore 160129	Executive Director
Mr. Liang Hongbo	129 Kim Tian Road, #04-129, Kim Tian Vista, Singapore 160129	Executive Director
Mr. Chen Timothy Teck-Leng @ Chen Teck Leng	46 Meyer Road, #03-03, The View @ Meyer, Singapore 437871	Non-Executive Lead Independent Director
Mr. Loh Weng Whye	127 Dunbar Walk, Frankel Estate, Singapore 459433	Non-Executive Independent Director
Mr. Liu Jingan	Chongqing City Jiu Long Po District Xi Pang Town, Qi Xing Cheng Shang Cheng, No. 11 Unit 12-3	Non-Executive Independent Director

2. SHARE CAPITAL

As at the Latest Practicable Date, based on publicly available information, the Company has an issued and paid-up share capital of S\$204,853,653.68 consisting of 1,303,567,528 Shares (excluding 6,980,000 treasury Shares). The Shares are ordinary shares carrying equal ranking rights to dividend, voting at general meetings and return of capital. As at the Latest Practicable Date, the Company does not have any other class of share capital.

As at the Latest Practicable Date, based on publicly available information, save for the Convertible Bonds, the Company has not granted any other options or issued any rights, warrants or other securities convertible into, exercisable for or redeemable with any Shares.

There is no restriction in the memorandum or articles of association of the Company on the right to transfer any Shares, which has the effect of requiring the holders of the Offer Shares, before transferring them, to first offer them for purchase to Shareholders or to any other person.

3. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save for information on the Company which is publicly available (including without limitation, the last unaudited financial statements of the Company for the full year ended 31 December 2015 which was released by the Company on the SGXNET on 25 February 2016), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2014, being the date of the last balance sheet of the Company laid before Shareholders in a general meeting.

4. REGISTERED OFFICE

The registered office of the Company is at 250 North Bridge Road, #15-01, Raffles City Tower, Singapore 179101.

APPENDIX III — ADDITIONAL GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, save as disclosed below and in paragraph 4.1(b) of the Offer Document, none of the Offeror, the Directors and any of the parties acting or deemed to be acting in concert with the Offeror owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; or (iii) Convertible Securities, Warrants, Options or Derivatives in respect of (i) or (ii) (collectively, the “**Company Securities**”):

Name	Direct Interest		Deemed Interest	
	Number of Shares	Percentage of total number of issued Shares (%)	Number of Shares	Percentage of total number of issued Shares (%)
Merit Stand Inc.	182,751,900	14.02	—	—
Mr. Zeng Chaoyi ⁽¹⁾	432,401,161	33.17	182,751,900	14.02
Mr. Zeng Chaolin ⁽²⁾	421,874,516	32.36	182,751,900	14.02

Notes:

- (1) Mr. Zeng Chaoyi holds a 43.94% shareholding in the issued and paid-up share capital of the Offeror. Accordingly, he is deemed interested in the 182,751,900 Shares held by the Offeror.
- (2) Mr. Zeng Chaolin holds a 42.87% shareholding in the issued and paid-up share capital of the Offeror. Accordingly, he is deemed interested in the 182,751,900 Shares held by the Offeror.
- (b) None of the Offeror, DBS Bank, the Zeng Family Members or any of the parties acting or deemed to be acting in concert with the Offeror has dealt for value in the Company Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.
- (c) As at the Latest Practicable Date, save for the Zeng Family Irrevocable Undertakings and the CB Irrevocable Undertaking, no person has given any undertaking to the Offeror, or any party acting in concert with it, to accept or reject the Offer.
- (d) As at the Latest Practicable Date, save for the Zeng Family Irrevocable Undertakings and the CB Irrevocable Undertaking, neither the Offeror nor any party acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.
- (e) As at the Latest Practicable Date, save as disclosed in this Offer Document, there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with it; and (ii) any of the present or recent directors of the Company, or any of the present or recent Shareholders or any other person that is conditional upon, or has any connection with or dependence upon, the Offer.
- (f) As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired by the Offeror pursuant to the Offer will or may be transferred to any other person.

- (g) As at the Latest Practicable Date, there is no agreement, arrangement or understanding for payment or other benefit being made or given to any director of the Company or to any director of any corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or as consideration for, or in connection with, his retirement from office or otherwise in connection with the Offer.
- (h) Save as disclosed in this Offer Document, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.
- (i) As at the Latest Practicable Date, none of the Offeror or any party acting in concert with the Offeror has (i) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise; (ii) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold); or (iii) lent any Company Securities to another person.

2. GENERAL

2.1 Consent

DBS Bank has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and letter and all references thereto in the form and context in which they respectively appear.

2.2 Costs and Expenses

All costs and expenses of or incidental to the Offer including the preparation and circulation of this Offer Document, the FAA and the FAT (other than professional fees and other costs relating to the Offer incurred or to be incurred by the Company) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.

3. MARKET QUOTATIONS

The closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., on (a) the Latest Practicable Date was S\$0.600; and on (b) the Last Trading Day was S\$0.480. The closing prices of the Shares on the SGX-ST on the last Market Day (on which there were trades in respect of the Shares) of each of the six (6) calendar months preceding the Offer Announcement Date, as reported by Bloomberg L.P., are set out below:

Date	Closing Price (S\$)
29 January 2016	0.380
3 December 2015	0.400
25 November 2015	0.415
20 October 2015	0.435
15 September 2015	0.450
28 August 2015	0.440

During the period commencing six (6) months preceding the Offer Announcement Date and ending on the Latest Practicable Date (being 25 August 2015 to 3 March 2016 (both dates inclusive)):

- (i) the highest closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., was S\$0.600, which was transacted on each Market Day from 26 February 2016 to 3 March 2016; and
- (ii) the lowest closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., was S\$0.335, which was transacted on 12 February 2016 and 19 February 2016.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the office of Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 during normal business hours, while the Offer remains open for acceptance:

- (a) the memorandum and articles of association of the Offeror;
- (b) the Offer Announcement;
- (c) the Zeng Family Irrevocable Undertakings and the CB Irrevocable Undertaking as referred to in paragraph 4 of this Offer Document;
- (d) the Conditional Subscription and Convertible Loan Agreement as referred to in paragraph 5.3 of this Offer Document; and
- (e) the letter of consent from DBS Bank referred to in paragraph 2.1 of this **Appendix III**.

APPENDIX IV — DETAILS OF THE OFFER

1. SETTLEMENT

Subject to the receipt by the Offeror of valid acceptances, complete in all respects and in accordance with the instructions given in this Offer Document and the FAA, FAT and/or the terms and conditions for Electronic Acceptance (as defined in **Appendix V** below) (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the “Free Balance” of the depositor’s Securities Account at the relevant time(s), remittances in the form of S\$ cheques drawn on a bank in Singapore for the appropriate amounts will be despatched, pursuant to Rule 30 of the Code, to the accepting Shareholder (or, in the case of a Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent (if any)) by ordinary post and at the risk of the accepting Shareholder or in such manner as he may have agreed with CDP for payment of any cash distribution as soon as practicable but in any event:

- (a) in respect of acceptances of the Offer which are complete and valid in all respects and are received on or before the date on which the Offer becomes or is declared to be unconditional in all respects, within 10 days of that date (to be revised to seven (7) business days subject to the relevant amendments to the Code coming into force on 25 March 2016); or
- (b) in respect of acceptances of the Offer which are complete and valid in all respects and are received after the Offer becomes or is declared to be unconditional in all respects, but before the Offer closes, within 10 days of the date of such receipt (to be revised to seven (7) business days subject to the relevant amendments to the Code coming into force on 25 March 2016).

2. ANNOUNCEMENTS

- (a) Pursuant to Rule 28.1 of the Code, by 8.00 a.m. on the dealing day (the “**Relevant Day**”) immediately after the day on which the Offer is due to expire, or becomes or is declared to be unconditional as to acceptances, or is revised or extended (if applicable), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Offer Shares (as nearly as practicable):

- (i) in respect of which valid acceptances of the Offer have been received;
- (ii) held by the Offeror and any party acting in concert with it before the Offer Period; and
- (iii) acquired or agreed to be acquired by the Offeror and any party acting in concert with it during the Offer Period,

and will specify the percentages of the issued share capital of the Company represented by such numbers.

- (b) Under Note 5 to Rule 28.1 of the Code, purchases made through the SGX-ST by the Offeror and parties acting in concert with it with no pre-agreement or collusion between the parties to such transactions or their agents, may be counted towards satisfying the Acceptance Condition. All other purchases by the Offeror and parties acting in concert with it (i.e. off market purchases) may only be counted when fully completed and settled.

- (c) Under Rule 28.2 of the Code, if the Offeror is unable, within the time limit, to comply with paragraph 2(a) above, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares until the relevant information is given.
- (d) In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by DBS Bank or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone or facsimile or through SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.
- (e) In computing the number of Offer Shares represented by acceptances, the Offeror will at the time of making an announcement take into account acceptances which are valid in all respects.

3. RIGHT OF WITHDRAWAL

- (a) Except as expressly provided in this Offer Document and the Code, acceptances of the Offer shall be irrevocable.
- (b) If the Offer has become or been declared unconditional as to acceptances, but the Offeror fails to comply with any of the requirements of Rule 28.1 of the Code by 3.30 p.m. on the Relevant Day, then immediately thereafter:
 - (i) any Shareholder holding Offer Shares which are deposited with CDP and accepting the Offer will be entitled to withdraw his acceptance by written notice to **Merit Stand Inc.**, c/o The Central Depository (Pte) Limited, 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588; and
 - (ii) any Shareholder holding Offer Shares which are not deposited with CDP and accepting the Offer will be entitled to withdraw his acceptance by written notice to **Merit Stand Inc.**, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 (such notice of withdrawal shall be effective only when actually received by the Offeror).
- (c) Subject to Rule 22.9 of the Code, this right of withdrawal may be terminated not less than eight (8) days after the Relevant Day by the Offeror confirming (if that be the case) that the Offer is still unconditional and complying with Rule 28.1 of the Code.
- (d) A Shareholder who accepts the Offer will be entitled to withdraw his acceptance after 14 days from the Closing Date, if the Offer has not by then become unconditional as to acceptances. Such entitlement to withdraw will be exercisable until the Offer becomes or is declared to be unconditional as to acceptances.
- (e) In a competitive situation, if one (1) offer becomes unconditional as to acceptances, then Shareholders who have tendered their acceptances for the other offer (the "**Unsuccessful Offer**") can, if they wish, immediately withdraw their acceptances for the Unsuccessful Offer.

APPENDIX V — PROCEDURES FOR ACCEPTANCE

1. PROCEDURES FOR ACCEPTANCE OF THE OFFER BY DEPOSITORS WHOSE/WHICH SECURITIES ACCOUNTS ARE AND/OR WILL BE CREDITED WITH OFFER SHARES

(a) **Depositors whose/which Securities Accounts are credited with Offer Shares**

If you have Offer Shares standing to the credit of your Securities Account, you are entitled to receive this Offer Document together with the FAA. If you wish to accept the Offer, you should complete and sign the accompanying FAA in accordance with the provisions and instructions in this Offer Document and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Offer) and submit the duly completed and signed FAA, **either by hand** to:

MERIT STAND INC.

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

or **by post** in the enclosed pre-addressed envelope **at your own risk**, to:

MERIT STAND INC.

c/o The Central Depository (Pte) Limited
Robinson Road Post Office,
P.O. Box 1984,
Singapore 903934

so as in either case to arrive not later than 5.30 p.m. on the Closing Date.

If you have sold or transferred all your Offer Shares, you need not forward this Offer Document and/or the FAA to the purchaser or the transferee (the “**Purchaser**”) as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the Purchaser. Purchasers should note that CDP will, on behalf of the Offeror, send a copy of this Offer Document and the FAA by ordinary post at the Purchasers’ own risk to their respective addresses as they appear in the records of CDP.

If you wish to accept the Offer, you must insert in Part A of the FAA the number of Offer Shares already standing to the credit of the “Free Balance” of your Securities Account in respect of which the Offer is accepted.

If you are a depository agent as defined under Section 81SF of the Securities and Futures Act, you may accept the Offer via the SGX-SSH Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents (“**Electronic Acceptance**”). Such Electronic Acceptances must be submitted **not later than 5.30 p.m. on the Closing Date**. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf. Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Offer Document as if the FAA has been duly completed, signed in its originality and submitted to CDP.

Subject to paragraph 1(b) below, if the number of Offer Shares inserted in Part A of the FAA or submitted through Electronic Acceptance exceeds the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account as at

5.00 p.m. on the date of receipt of the FAA by CDP (the “**Date of Receipt**”) or, in the case where the Date of Receipt is on the Closing Date, as at 5.30 p.m. on the Closing Date (provided always that the Date of Receipt is on or before the Closing Date) or, if no such number of Offer Shares is inserted in Part A, then you are deemed to have accepted the Offer in respect of all the Offer Shares already standing to the credit of the “Free Balance” of your Securities Account as at 5.00 p.m. on the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, as at 5.30 p.m. on the Closing Date (provided always that the Date of Receipt is on or before the Closing Date).

(b) Depositors whose/which Securities Accounts will be credited with Offer Shares

If you purchase Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the “Free Balance” of your Securities Account, you should also receive this Offer Document together with a FAA. If you wish to accept the Offer in respect of such Offer Shares, you should, after the “Free Balance” of your Securities Account has been credited with such number of Offer Shares, complete, sign and submit the duly completed and signed original of the accompanying FAA in accordance with the provisions and instructions in this Offer Document and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Offer) and return the duly completed and signed FAA, **either by hand** to:

MERIT STAND INC.

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

or **by post** in the enclosed pre-addressed envelope **at your own risk**, to:

MERIT STAND INC.

c/o The Central Depository (Pte) Limited
Robinson Road Post Office,
P.O. Box 1984,
Singapore 903934

so as in either case to arrive not later than 5.30 p.m. on the Closing Date.

If you purchase Offer Shares on the SGX-ST, your acceptance in respect of such Offer Shares will be rejected if the “Free Balance” of your Securities Account is not credited with such Offer Shares by 5.00 p.m. on the Date of Receipt (if the FAA is received by the CDP prior to the Closing Date) or 5.30 p.m. on the Closing Date (if the FAA is received by CDP on the Closing Date).

None of the Offeror, DBS Bank or CDP accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

(c) Depositors whose/which Securities Accounts are and will be credited with Offer Shares

If you already have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, and if you have also purchased additional Offer Shares on the SGX-ST that are in the process of being credited to your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the “Free

Balance” of your Securities Account but in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account, you may accept the Offer in respect of such additional Offer Shares only **after** the “Free Balance” of your Securities Account has been credited with such number of Offer Shares. The provisions set out above shall apply in the same way to your acceptance(s).

(d) **General**

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares in your Securities Account. You can verify the number of Offer Shares in your Securities Account (i) through CDP Online if you have registered for CDP Internet Access Service; or (ii) through CDP Phone Service if you have a T-Pin. Alternatively, you may proceed to CDP in person with your identity card or passport to verify the number of Offer Shares credited to your Securities Account.

CDP will, upon receipt on behalf of the Offeror of the duly completed and signed original of the FAA or Electronic Acceptance, and all other relevant documents (if any), transfer the Offer Shares in respect of which you have accepted the Offer from the “Free Balance” of your Securities Account to a “Suspense Account” until the consideration for the Offer Shares has been despatched to you.

Except as specifically provided for in this Offer Document and the Code, acceptance of the Offer is irrevocable.

No acknowledgement will be given for submissions made. All communications, notices, documents and payments will be sent by ordinary post at the risk of the person(s) entitled thereto to the mailing address appearing in the records of CDP. Settlement of the consideration under the Offer will be subject to the receipt of confirmation satisfactory to the Offeror that the Offer Shares to which the FAA relates are credited to the “Free Balance” of your Securities Account and such settlement cannot be made until all relevant documents have been properly completed and lodged with **Merit Stand Inc.**, c/o The Central Depository (Pte) Limited, **by hand** at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588 or **by post** at your own risk using the enclosed pre-addressed envelope at Robinson Road Post Office, P.O. Box 1984, Singapore 903934.

CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Offer Price by way of a S\$ cheque drawn on a bank in Singapore for the appropriate amount, or in such other manner as you may have agreed with CDP for the payment of any cash distributions.

If you do not have any existing Securities Account in your name at the time of acceptance of the Offer, your acceptance as contained in the FAA will be rejected.

If you are a depositor whose/which Securities Account is or will be credited with Offer Shares but you do not receive the FAA, you may obtain such a FAA upon production of satisfactory evidence that you are a Shareholder or have purchased the Offer Shares on the SGX-ST (as the case may be), from The Central Depository (Pte) Limited, at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588.

2. PROCEDURES FOR ACCEPTANCE OF THE OFFER BY SHAREHOLDERS WHO HOLD OFFER SHARES WHICH ARE NOT DEPOSITED WITH CDP

If you hold Offer Shares which are not deposited with CDP, you are entitled to receive this Offer Document together with the FAT. If you wish to accept the Offer, you should complete and sign the FAT (which is available upon request from **Merit Stand Inc.**, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623) in accordance with the provisions and instructions in this Offer Document including the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Offer) and forward with the relevant share certificate(s) and/or other document(s) of title and/or any other relevant document(s) required by the Offeror **by hand or by post** to:

MERIT STAND INC.

c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place,
#32-01,
Singapore Land Tower,
Singapore 048623

so as to arrive not later than 5.30 p.m. on the Closing Date.

If the number of Offer Shares in respect of acceptances for the Offer as inserted by you in the FAT exceeds the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT, or if no such number of Offer Shares is inserted by you, then you shall be deemed to have accepted the Offer in respect of all the Offer Shares as represented by the share certificate(s) and/or other document(s) of title accompanying the FAT.

General

If your Offer Shares are represented by share certificate(s) which are not registered with the Company in your own name, you must send in, at your own risk, the relevant share certificate(s), other document(s) of title and/or other relevant documents required by the Offeror together with a duly completed and signed original FAT accompanied by transfer form(s), duly completed and executed by the person(s) registered with the Company as the holder of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it).

It is your responsibility to ensure that the FAT is properly completed in all respects. The Offeror, DBS Bank and/or Boardroom Corporate & Advisory Services Pte. Ltd. will be entitled to reject any acceptance which does not comply with the provisions and instructions contained herein and in the FAT, or (subject to the preceding paragraph) which is not accompanied by the relevant share certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the FAT on the grounds that it has been incompletely, incorrectly or invalidly signed, completed or submitted, unsigned or signed but not in its originality will be final and binding, and none of the Offeror, DBS Bank or Boardroom Corporate & Advisory Services Pte. Ltd. accepts any responsibility or liability for the consequences of such a decision.

Except as specifically provided for in this Offer Document and the Code, acceptance of the Offer is irrevocable.

No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other relevant document(s) required by the Offeror will be given.

All communications, notices, certificates, documents and remittances will be sent by ordinary post at the risk of the person(s) entitled thereto.

Payment will be sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the register of members of the Company) by ordinary post at your address as it appears in the register of members of the Company at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a S\$ cheque drawn on a bank in Singapore for the appropriate amount.

If you are a Shareholder who holds Offer Shares which are not deposited with CDP but you do not receive the FAT, you may obtain such a FAT upon production of satisfactory evidence that you are a Shareholder, from **Merit Stand Inc.**, c/o Boardroom Corporate & Advisory Services Pte. Ltd. at its office located at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623.

3. OTHER RELEVANT INFORMATION IN RESPECT OF THE PROCEDURES FOR ACCEPTANCE

If you hold share certificate(s) of some of the Offer Shares beneficially owned by you and if you have deposited the rest of the Offer Shares beneficially owned by you with CDP, you are required to complete the FAT in respect of the Offer Shares represented by share certificate(s) and the FAA in respect of the Offer Shares which are deposited with CDP, if you wish to accept the Offer in respect of all such Offer Shares. Both the FAT and the FAA must be completed, signed and accompanied by the relevant documents and sent to the Offeror in accordance with the respective procedures for acceptance set out in paragraphs 1 and 2 of this **Appendix V**.

If you hold share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the date of this Offer Document and ending on the Closing Date (both dates inclusive) as your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Offer.

If you wish to accept the Offer, it is your responsibility to ensure that the FAA and/or FAT, as the case may be, is properly completed in all respects, submitted with original signature(s) and all required documents are provided. The Offeror, DBS Bank, CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd. will be entitled, at their sole and absolute discretion, to reject any acceptance which does not comply with the provisions and instructions contained herein and in the FAA and/or FAT, as the case may be, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject any acceptance will be final and binding, and none of the Offeror, DBS Bank, CDP or Boardroom Corporate & Advisory Services Pte. Ltd. accepts any responsibility or liability for the consequences of such a decision.

Acceptances in the form of the FAA and/or FAT received by the Offeror, DBS Bank, CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd., on a Saturday, Sunday or public holiday will only be processed and validated on the next business day.

Submission of the duly completed and signed original of the FAA and/or FAT through CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd. and/or, as the case may be, the Offeror or DBS Bank, shall be conclusive evidence in favour of the Offeror, DBS Bank, CDP and Boardroom Corporate & Advisory Services Pte. Ltd. of the right and title of the persons signing it to deal with the same and with the Offer Shares to which it relates.

