

GEMS TV HOLDINGS LIMITED
(Incorporated in the Cayman Islands)
(Company Registration Number 109716)
(the “**Company**”)

MOUNTING HOLDINGS LIMITED
(Incorporated in the British Virgin Islands)
(Company Registration Number 1025187)
(the “**Offeror**”)

JOINT ANNOUNCEMENT

PROPOSED EXIT OFFER AND DIRECTED DELISTING OF GEMS TV HOLDINGS LIMITED – UPDATE TO SHAREHOLDERS

1. INTRODUCTION

- 1.1. The Company and the Offeror refer to the joint announcements released on 8 April 2014 (the “**First Joint Announcement**”) and on 14 April 2014 (the “**Second Joint Announcement**”) (collectively, referred to as “**Joint Announcements**”). Unless otherwise defined, all capitalised terms used in this announcement herein shall bear the same meanings ascribed to them in the Joint Announcements.
- 1.2. The Company and the Offeror wish to provide the Shareholders with an update on the development of the Exit Offer.

2. UPDATE TO SHAREHOLDERS

- 2.1. Since the Second Joint Announcement, the Company and the Offeror have worked towards the finalization and despatch of the Exit Offer Letter to Shareholders. The Company appointed and liaised with various professional parties and the relevant regulatory authorities in relation to the drafting of the Exit Offer Letter, and to handle other logistical matters pertaining to the Exit Offer and the Delisting. The Company and the Offeror have received the following responses from the relevant regulatory authorities.

SIC’s Confirmations/Rulings

- 2.2. An application was made to the SIC by the Company and the Offeror on 21 April 2014 to seek the SIC’s confirmations/rulings on the extent to which the Singapore Code on Takeovers and Mergers (the “**Code**”) will apply to the Exit Offer.

On 26 May 2014, the SIC ruled as follows:

- (a) that the Exit Offer need not comply with Rule 22 of the Code, subject to:
- (i) the Exit Offer remaining open for at least 28 days after the date of the despatch of the Exit Offer Letter; and
 - (ii) disclosure in the Exit Offer Letter of:
 - (A) the consolidated net tangible assets (NTA) per share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Exit Offer Letter; and
 - (B) particulars of all known material changes as of the latest practicable date which may affect the consolidated NTA per share

referred to in paragraph 2.2(a)(ii)(A) above or a statement that there are no such known material changes;

- (b) that the responsibility statements required in any announcements or documents issued by or on behalf of the Offeror to Shareholders in connection with the Exit Offer have to be given by both Mr Jason Choo and the director of the Offeror, Dizame Consulting S.A. (the “**Offeror Director**”);
- (c) that Mr Jason Choo be exempted from the requirement to make a recommendation on the Exit Offer to Shareholders. Mr Jason Choo, however, must still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer; and
- (d) that the minimum acceptance condition in Rule 15.1 of the Code will apply to the Exit Offer.

Terms of the Exit Offer

- 2.3. Pursuant to the SIC confirmations/rulings described in paragraph 2.2 above, the Exit Offer:
 - (a) will be open for acceptance for a period of 28 days after the despatch of this Exit Offer Letter.
 - (b) is conditional upon the Offeror receiving acceptances in respect of voting rights which, together with voting rights acquired or agreed to be acquired before or during the Exit Offer, will result in the Offeror holding more than 50% of the voting rights of the Company (the “**Minimum Acceptance Condition**”).
- 2.4. Accordingly, the Exit Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Exit Offer, unless at any time prior to the close of the Exit Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which will result in the Offeror holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company.
- 2.5. **In the event that the Minimum Acceptance Condition is not fulfilled, the Exit Offer will lapse and all acceptances for the Exit Offer will be returned. However, the Delisting will still proceed in view of the Delisting Notification. In such an event, Shareholders will hold shares in an unlisted company.**

Letter from SGX-ST

- 2.6. The SGX-ST has in its letter dated 1 July 2014 advised that, based on the assumption that the Exit Offer Letter comply with the Listing Rules and all information required by the Listing Rules have been disclosed in the Exit Offer Letter, it has no comment on the draft Exit Offer Letter. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in the draft Exit Offer Letter.
- 2.7. Further information on the Delisting and Exit Offer, the advice of the IFA to the Directors who are considered to be independent for the purposes of the Exit Offer (the “**Non-Interested Directors**”) and the recommendation of the Non-Interested Directors to Shareholders in relation to the Delisting and Exit Offer will be set out in the Exit Offer Letter to be despatched by the Company to Shareholders in due course.

3. RESPONSIBILITY STATEMENT

- 3.1. The Offeror Director and Mr Jason Choo accept full responsibility for the accuracy of the information given in this Joint Announcement (other than those relating to the Company) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Joint Announcement constitutes full and true disclosure of all material facts about the Exit Offer, and the Offeror Director and Mr Jason Choo are not aware of any facts the omission of which would make any statement in this Joint Announcement (other than those relating to the Company) misleading. Where information in this Joint Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Offeror Director and Mr Jason Choo has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Joint Announcement in its proper form and context.
- 3.2. The Directors (including any director who may have delegated detailed supervision of this Announcement) collectively and individually accept full responsibility for the accuracy of the information given in this Joint Announcement (other than those relating to the Offeror) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Joint Announcement constitutes full and true disclosure of all material facts about the Exit Offer, and the Directors are not aware of any facts the omission of which would make any statement in this Joint Announcement (other than those relating to the Offeror) misleading. Where information in this Joint Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Joint Announcement in its proper form and context.

By Order of the Board

Cho Form Po
Company Secretary
Gems TV Holdings Limited
2 July 2014

Dizame Consulting S.A.
Director
Mounting Holdings Limited
2 July 2014