INNOPAC HOLDINGS LIMITED
(Incorporated in Singapore)
(Company Registration No. 197301788K)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES WITH FREE DETACHABLE WARRANTS

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1. INTRODUCTION

1.1 The Directors (the "**Directors**") of Innopac Holdings Limited (the "**Company**") refer to the announcements dated 20 June 2014 and 12 August 2014 released by the Company in connection with the Rights Shares cum Warrants Issue.

1.2 Unless otherwise defined, all capitalised terms shall bear the same meaning ascribed to them in the announcement released by the Company on 12 August 2014.

2. UNDERTAKINGS

2.1 In order to show their support for the Rights Shares cum Warrants Issue and to demonstrate their commitment to the Company and its subsidiaries, Mr. Wong Chin Yong ("**WCY**") and Mr. Ong Kah Hock ("**OKH**"), each a director and shareholder of the Company, had on 13 August 2014 given an irrevocable undertaking to the Company (collectively, the "**Undertakings**").

2.2 As at the date of their respective Undertakings:

(a) WCY has a direct interest in 18,000,000 ordinary shares in the capital of the Company ("**WCY Shares**"), constituting 0.52% of the ordinary shares in the capital of the Company (the "**Shares**"); and

(b) OKH has a direct interest in 2,503,000 Shares ("**OKH Shares**"), constituting 0.07% of the Shares.

2.3 Pursuant to their respective Undertakings, both WCY and OKH had irrevocably undertaken to the Company that, *inter alia*:

(a) he will not transfer, sell or otherwise dispose of any or all of his interest in his Shares (the WCY Shares or the OKH Shares) prior to the closing date of the Rights Shares cum Warrants Issue;

(b) as at the books closure date, he will have no less than the number of Shares as the WCY Shares (in the case of WCY) or the OKH Shares (in the case of OKH) credited to his Securities Account maintained with CDP;

(c) in accordance with the terms and conditions of the Rights Shares cum Warrants Issue, he will subscribe and pay in full for, or procure the subscription and payment in full of, his *pro rata* entitlement to the Rights Shares with Warrants under the Rights Shares cum Warrants Issue in relation to the WCY Shares comprising of 36,000,000 Rights Shares (in the case of WCY) or the OKH Shares comprising of 5,006,000 Rights Shares (in the case of OKH); and

(d) subject to any applicable laws, rules or regulations, he agrees to vote, and/or procure the voting of, all the WCY Shares (in the case of WCY) or the OKH Shares (in the case of OKH) in favour of the resolution to be proposed at the EGM to approve the Rights Shares cum Warrants Issue.

2.4 The obligations of WCY and OKH are conditional upon, and subject to:

(a) the approval in-principle granted by the SGX-ST for the listing of and quotation for, the Rights Shares, the Warrants and the New Shares on the Main Board of the SGX-ST not having been withdrawn or revoked;

(b) approval of the Rights Shares cum Warrants Issue by the shareholders of the Company having been obtained; and

(c) the lodgement of the offer information statement in respect of the Rights Shares cum Warrants Issue with the Monetary Authority of Singapore.

2.5 In the event that none of the other entitled shareholders subscribes for the Rights Shares, the subscription by WCY and OKH of each of their *pro rata* entitlements to the Rights Shares with Warrants under the Rights Shares cum Warrants Issue in relation to the WCY Shares and the OKH Shares respectively will not trigger any obligation under Rule 14 of the Singapore Code on Take-overs and Mergers on either of them to make a mandatory offer for the Shares in which each of them have no interest in.

2.6 No commission or fee will be payable by the Company to WCY and OKH in consideration of their respective Undertakings.

2.7 Save for WCY and OKH, no other Director and no other Shareholder has given an irrevocable undertaking to subscribe for the Rights Shares.

BY ORDER OF THE BOARD OF
INNOPAC HOLDINGS LIMITED

Wong Chin Yong
Managing Director & Chief Executive Officer
13 August 2014