

Pre-Conditional Voluntary General Offer

By



for and on behalf of

JCET-SC (Singapore) Pte. Ltd.
(Company Registration No. 201437735C)
(Incorporated in the Republic of Singapore)

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

STATS ChipPAC Ltd.
(Company Registration No. 199407932D)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by
the Offeror, its related corporations and their respective nominees

ANNOUNCEMENT

UPDATE ANNOUNCEMENT

RELATING TO THE PRE-CONDITIONAL OFFER ANNOUNCEMENT

1. INTRODUCTION

1.1 The Pre-Conditional Offer

Deutsche Bank AG, Singapore Branch and China International Capital Corporation (Singapore) Pte. Limited (together, the **%Financial Advisers+**) refer to the announcement dated 30 December 2014 (the **%Pre-Conditional Announcement+**) pursuant to which it was announced for and on behalf of JCET-SC (Singapore) Pte. Ltd. (the **%Offeror+**) that, subject to the fulfilment or waiver of the Pre-Conditions, the Offeror would make a voluntary conditional offer (the **%Offer+**) in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers for all the issued and paid-up ordinary shares (excluding issued and paid-up ordinary shares held by STATS ChipPAC Ltd. (the **%Company+**) as treasury shares but including shares issued and paid-up upon the valid exercise or vesting of Options and Awards) in the capital of the Company, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees.

Capitalised terms not defined in this announcement (**%Announcement+**) shall have the respective meanings given to them in the Pre-Conditional Announcement.

2. UPDATE ON PRE-CONDITIONS TO THE MAKING OF THE OFFER

2.1 As stated in the Pre-conditional Announcement, the making of the Offer is subject to the Pre-Conditions (as set out in Schedule 1 of the Pre-Conditional Announcement and reproduced in Schedule 1 of this Announcement for ease of reference (~~%Schedule 1+~~) being fulfilled or waived.

2.2 As at the date of this Announcement, the Pre-Conditions set out in paragraphs 1 to 4 of Schedule 1 have been fulfilled:

(a) Pre-Condition set out in paragraph 1 of Schedule 1 - Approval of shareholders of JCET

On 12 Feb 2015, JCET released on the Shanghai Stock Exchange (~~%SSE+~~) an announcement stating that the shareholders of JCET have passed all necessary resolutions to approve, implement and effect the Offer and all matters in connection therewith (including the change of use of certain placement proceeds for use to satisfy the Offer) at a general meeting of the shareholders of JCET (~~%JCET's EGM Announcement+~~).

(b) Pre-Condition set out in paragraph 2 of Schedule 1 - Approval of shareholders of the Company

On 21 April 2015, the Company released on SGXNET an announcement stating that the shareholders of the Company have passed all necessary resolutions to approve, implement and effect the Company Transactions, including pursuant to section 78G(1) of the Companies Act, at a general meeting of the shareholders of the Company (the ~~%Company's EGM Announcement+~~).

(c) Pre-Condition set out in paragraph 3 of Schedule 1 - Court approval of Taiwan Capital Reduction

On 5 May 2015, the Company released on SGXNET an announcement stating that the High Court of Singapore has approved the Taiwan Capital Reduction (the ~~%Court Approval Announcement+~~).

(d) Pre-Condition set out in paragraph 4 of Schedule 1 - Consolidated Aggregate Debt

On 20 May 2015, the Company provided the Offeror with a debt certificate stating the consolidated Aggregate Debt of the Company and its subsidiaries as at 30 April 2015, and such amount is not in excess of US\$1,280,000,000.

2.3 In relation to the Pre-Conditions set out in paragraphs 5 to 7 of Schedule 1, the Financial Advisers, for and on behalf of the Offeror, wish to provide the following updates:

(a) Pre-Condition set out in paragraph 5 of Schedule 1 - Authorisations

In relation to the Authorisations necessary or appropriate for or in connection with the Offer and the Company Transactions:

(i) on 6 February 2015, JCET received the requisite approval from National Development and Reform Commission (~~%NDRC+~~) of the Peoples Republic of China (~~%PRC+~~); and

(ii) on 31 March 2015, the Company received the requisite approval from the Investment Commission of the Ministry of Economic Affairs of the Republic of China.

As at the date of this Announcement, there are still Authorisations necessary or appropriate for or in connection with the Offer and the Company Transactions from the Ministry of Commerce of the PRC (~~%MOFCOM+~~) and State Administration of Foreign Exchange of the PRC that remain outstanding.

(b) Pre-Condition set out in paragraph 6 of Schedule 1 . Anti-trust Authorisations

In relation to the Anti-trust Authorisations:

- (i) on or about 12 February 2015, the Offeror and the Company agreed that a filing or notification under the United States Hart-Scott-Rodino Antitrust Improvement Act of 1976 (as amended) (~~the~~ **HSR Act**) and the regulations promulgated thereunder in connection with the Offer or any aspect of the Offer will not be required due to an available exemption under the HSR Act; and
- (ii) on 30 March 2015, all mandatory consents and approvals in connection with the Offer were obtained from the Korea Fair Trade Commission pursuant to the Monopoly Regulation and Fair Trade Act, as amended, without any conditions or obligations that are not on terms satisfactory to the Offeror.

As at the date of this Announcement, the Anti-trust Authorisation required from the Anti-Monopoly Bureau of MOFCOM remains outstanding.

3. OFFER ANNOUNCEMENT

The making of the Offer, if and when made, remains subject to the satisfaction or waiver of the Pre-Conditions which remain outstanding as at the date of this Announcement.

If and when all such Pre-Conditions have been fulfilled or waived (as the case may be), the Financial Advisers, for and on behalf of the Offeror, will announce the firm intention on the part of the Offeror to make the Offer.

4. COPIES OF ANNOUNCEMENTS

4.1 Copies of the Pre-Conditional Announcement, the Company's EGM Announcement, and the Court Approval Announcement are available on SGXNET.

4.2 A copy of JCET's EGM Announcement is available on the website of the SSE.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Offeror and JCET (as the ultimate parent company of the Offeror) (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the Directors of the Offeror and JCET 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 Announcement.

Issued by

Deutsche Bank AG, Singapore Branch

**China International Capital Corporation
(Singapore) Pte. Limited**

For and on behalf of

JCET-SC (Singapore) Pte. Ltd.

21 May 2015

Any enquiries relating to this Announcement should be directed to the following during office hours:

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Schedule 1
Pre-Conditions to the making of the Offer

1. The shareholders of JCET having passed all necessary resolutions to approve, implement and effect the Offer and all matters in connection therewith (including the change of use of certain placement proceeds for use to satisfy the Offer) at a general meeting of the shareholders of JCET (or any adjournment thereof).
2. The Shareholders having passed all necessary resolutions to approve, implement and effect the Company Transactions, including pursuant to section 78G(1) of the Companies Act, at a general meeting of the Shareholders (or any adjournment thereof).
3. The High Court of Singapore having approved of the Taiwan Capital Reduction.
4. The consolidated Aggregate Debt of the Company and its subsidiaries shall not, as at the earlier of:
 - (a) the date of the Offer Announcement; and
 - (b) 30 April 2015,

be in excess of US\$1,280,000,000. In this paragraph 4 of Schedule 1, ~~%Aggregate Debt+~~ means, as at any date of determination, the total outstanding principal amount of all interest bearing short-term and long-term borrowings and financial indebtedness of the Company and its subsidiaries on a consolidated basis as at such date, as determined and calculated in accordance with Singapore Financial Reporting Standards and the accounting policies of the Company, consistently applied, including, but not limited to, senior and junior notes, and lines of credit and banking facilities such as loans and overdrafts (and if any such borrowing or financial indebtedness is denominated in any currency other than United States Dollars, such borrowing or financial indebtedness shall be translated into United States Dollars based on the exchange rate between United States Dollars and such currency prevailing as at such date), excluding for the avoidance of doubt any borrowing or financial indebtedness incurred or taken by SCT1 and/or SCT3 to repay the intercompany debt owing by SCT3 to the Company as at the date hereof.

5. All approvals, authorisations, clearances, licences, orders, confirmations, consents, exemptions, grants, permissions, recognitions and waivers (the ~~%Authorisations+~~) necessary or appropriate for or in connection with the Offer (including the use and remittance of funds by JCET, SCXI, Holdco and the Offeror, for the ultimate purpose of satisfying full acceptance of the Offer) and the Company Transactions from all governmental, quasi-governmental, supranational, statutory, regulatory, administrative, investigative, fiscal or judicial agency, authority, body, court, association, institution, commission, department, exchange, tribunal or any other body or person whatsoever in any jurisdiction (each an ~~%Authority+~~) and including, without limitation, the NDRC, SAFE, MOFCOM and the Investment Commission of the Ministry of Economic Affairs of the Republic of China:
 - (a) having been obtained;
 - (b) if such Authorisations are subject to conditions, the fulfilment of all such conditions; and
 - (c) such Authorisations remaining in full force and effect,

and all necessary statutory or regulatory obligations in connection with the Offer and the Company Transactions and their implementation in any jurisdiction having been complied with.

6. All mandatory or appropriate anti-trust Authorisations (~~%Anti-trust Authorisations+~~) identified by the Offeror as necessary or appropriate for or in connection with the Offer having been

obtained, all applicable waiting periods in relation to the Anti-trust Authorisations (including any extensions thereof) under any applicable legislation or regulations of any jurisdiction having expired, lapsed or been terminated, and all Anti-trust Authorisations having been obtained in terms satisfactory to the Offeror from all appropriate Authorities, and if such Anti-trust Authorisations are subject to conditions, the fulfilment of all such conditions, and such Anti-trust Authorisations remaining in full force and effect, including:

- (a) a filing having been made to and accepted by the Anti-Monopoly Bureau of MOFCOM pursuant to the Anti-Monopoly Law of the PRC (the ~~%Anti-Monopoly Law+~~) and MOFCOM having cleared the consummation of the Offer and all actions contemplated thereunder and in connection therewith on terms satisfactory to the Offeror or all applicable waiting periods under the Anti-Monopoly Law having expired;
 - (b) all necessary notifications and filings under the United States Hart-Scott-Rodino Antitrust Improvement Act of 1976 (as amended) and the regulations promulgated thereunder having been made in connection with the Offer or any aspect of the Offer, and all applicable waiting periods (including any extensions thereof) having expired or been earlier terminated; and
 - (c) all mandatory consents and approvals in connection with the Offer having been obtained from the Korea Fair Trade Commission pursuant to the Monopoly Regulation and Fair Trade Act, as amended, without imposing any conditions or obligations that are not on terms satisfactory to the Offeror.
7. No Authority shall have taken, instituted, implemented or threatened or decided or proposed to take, institute or implement, including in relation to the Offer and/or the Company Transactions, any action, proceeding, suit, investigation, enquiry or reference, or made, proposed or enacted any statute, regulation, decision, ruling, statement or order or taken any other steps, and there not continuing to be outstanding any statute, regulation, decision, ruling, statement or order, which would or might make the Offer and/or the Company Transactions, their implementation or outcome void, illegal and/or unenforceable, or otherwise, directly or indirectly, restrict, restrain, prohibit, delay or otherwise interfere with the same, or impose additional conditions or obligations with respect thereto, or otherwise challenge, hinder or frustrate or be adverse to the same (including requiring any amendment or revision of the Offer).