VOLUNTARY UNCONDITIONAL CASH OFFER

by

UNITED OVERSEAS BANK LIMITED
(Company Registration No. 193500026Z)
(Incorporated in Singapore)

for and on behalf of

CHINA MERCHANTS INDUSTRY INVESTMENT LIMITED
(Company Registration No. 2200879)
(Incorporated in Hong Kong SAR)

a wholly-owned subsidiary of

CHINA MERCHANTS INDUSTRY HOLDINGS CO., LTD.
(Company Registration No. 630843)
(Incorporated in Hong Kong SAR)

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

AVIC INTERNATIONAL MARITIME HOLDINGS LIMITED
(Company Registration No.: 201024137N)
(Incorporated in Singapore)

other than those already owned, controlled or agreed to be acquired by the Offeror

DESPATCH OF NOTICES PURSUANT TO SECTION 215(1) AND SECTION 215(3) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE ("COMPANIES ACT")

1. INTRODUCTION

1.1 United Overseas Bank Limited ("**UOB**") refers to:

(a) the announcement (the "**Offer Announcement**") released on 11 November 2019 for and on behalf of China Merchants Industry Investment Limited (the "**Offeror**") in relation to the voluntary conditional cash offer (the "**Offer**") for all the issued and paid up ordinary

shares (the "**Shares**") in the capital of AVIC International Maritime Holdings Limited (the "**Company**"), other than those already owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer;

(b) the formal offer document (the "**Offer Document**") dated 25 November 2019 containing the terms and conditions of the Offer issued by the Offeror and which was despatched to the shareholders of the Company ("**Shareholders**") on 25 November 2019;

(c) the announcement (the "**Unconditional Announcement**") released on 26 November 2019 announcing that the Offer has been declared unconditional in all respects;

(d) the announcement ("**Loss of Free Float and Compulsory Acquisition Announcement**") released on 3 January 2020 announcing that less than 10 per cent. of the total number of Shares is held by the public and that the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer; and

(e) the announcement ("**Close of Offer Announcement**") released on 6 January 2020 in relation to the close of the Offer.

1.2 Electronic copies of the Offer Announcement, the Offer Document, the Unconditional Announcement, the Loss of Free Float and Compulsory Acquisition Announcement and the Close of Offer Announcement are available on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") at www.sgx.com.

1.3 Capitalised terms that are not defined in this Announcement shall have the meanings set out in the Offer Document.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT AND RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

2.1 **Compulsory Acquisition.** As announced in the Loss of Free Float and Compulsory Acquisition Announcement, as the Offeror has received valid acceptances pursuant to the Offer or otherwise acquired Shares following the Commencement Date other than through valid acceptances of the Offer in respect of not less than 90 per cent. of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date), the Offeror is entitled, and intends, to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") at the Offer Price of S$0.15 for each Share an on the same terms and conditions of the Offer (the "**Consideration**").

2.2 **Notice.** In connection therewith, UOB wishes to announce, for and on behalf of the Offeror, that the Offeror has today given notice in the form prescribed under the Companies Act ("**Form 57**") pursuant to Section 215(1) of the Companies Act, together with a cover letter (the "**Compulsory Acquisition Letter**"), to the Dissenting Shareholders.

The Offeror has also despatched, together with the Compulsory Acquisition Letter, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act ("**Form 58**") pursuant to Section 215(3) of the Companies Act, whereby the Dissenting Shareholders may, within three months from the date of the Form 58 (that is, by 14 April 2020), require the Offeror

to acquire their Shares and the Offeror shall be entitled and bound to acquire those Shares at the Consideration.

For the avoidance of doubt, Shareholders who have already tendered all their Shares in acceptance of the Offer on or prior to the Closing Date may disregard the Compulsory Acquisition Letter, Form 57 and Form 58.

As the Offeror will be proceeding to compulsorily acquire the Shares of the Dissenting Shareholders, the Dissenting Shareholders need not take any action in relation to their right under Section 215(3) of the Companies Act. The Dissenting Shareholders who nevertheless wish to exercise such right or who are in any doubt as to their position are advised to seek their own independent legal advice.

Electronic copies of the Compulsory Acquisition Letter, Form 57 and Form 58 are available on the website of the SGX-ST at www.sgx.com.

2.3 **Exercise of Compulsory Acquisition.** The Offeror intends to exercise its right of compulsory acquisition pursuant to Section 215(1) of the Companies Act to acquire all the Shares held by the Dissenting Shareholders on or after 17 February 2020 (the "**Transfer Date**"), being the date after the expiration of one month from the date of the Form 57, subject to and on the terms set out in Form 57 and the provisions of Section 215(4) of the Companies Act.

2.4 **Registration of Transfer.** Upon the settlement of the aggregate amount of the Consideration payable to the Company by the Offeror, the Company will cause to be transferred to the Offeror all such Shares held by the Dissenting Shareholders and register the Offeror as the holder of all those Shares as soon as practicable.

2.5 **Settlement.** Subject to and in accordance with Section 215(1) of the Companies Act and the terms set out in Form 57:

(a) in respect of the Shares held by the Dissenting Shareholders which are held through Securities Accounts maintained with The Central Depository (Pte) Limited ("**CDP**"), CDP will, on behalf of the Offeror, despatch remittances in the form of S$ crossed cheques for the appropriate aggregate amount of the Consideration payable in respect of such Shares to such Dissenting Shareholders (or, if such Dissenting Shareholder hold Shares which are not deposited with CDP, its designated agent(s), as it may direct) by ordinary post, at the risk of such Dissenting Shareholders, to their address as it appears in the records of CDP, or by such other manner as the Dissenting Shareholder may have agreed with CDP for the payment of any cash distributions; and

(b) in respect of the Shares held by the Dissenting Shareholders which are held in scrip form, Boardroom Corporate & Advisory Services Pte. Ltd. (the "**Registrar**") will, on behalf of the Offeror, despatch a cheque for the appropriate aggregate amount of the Consideration payable in respect of such Shares to such Dissenting Shareholders by ordinary post, at the risk of such Dissenting Shareholders, to their address as it appears in the register of members of the Company, as maintained by the Registrar,

as soon as practicable after the Transfer Date.

3. TRADING SUSPENSION AND DELISTING

Rule 723 of the Catalist Rules requires the Company to ensure that at least 10 per cent. of the total number of Shares (excluding treasury shares) is at all times held by the public (the "**Free Float Requirement**"). As stated in the Loss of Free Float and Compulsory Acquisition Announcement, the Free Float Requirement is no longer satisfied and, as stated in the Offer Document, the Offeror does not intend to preserve the listing status of the Company and has no intention of undertaking or supporting any action to satisfy the Free Float Requirement or for any trading suspension by the SGX-ST to be lifted.

Pursuant to Rule 1303(1) of the Catalist Rules, trading of the Shares on the SGX-ST has been suspended on 7 January 2020. **Additionally, an application has been made to the SGX-ST for the delisting of the Company (the "Delisting Application") on 8 January 2020. The result of the Delisting Application will be announced in due course.**

4. RESPONSIBILITY STATEMENT

The Offeror Directors and the CMIH Directors (including any director 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, the omission of which would make any statement herein misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company and its subsidiaries), the sole responsibility of the Offeror Directors and the CMIH Directors has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by

UNITED OVERSEAS BANK LIMITED

For and on behalf of

CHINA MERCHANTS INDUSTRY INVESTMENT LIMITED

14 January 2020

Any inquiries relating to this Announcement or the Offer should be directed during office hours to the UOB hotline at (65) 6539 7066.

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future and 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 of the Company should not place undue reliance on such forward-looking statements. None of the Offeror, CMIH nor UOB guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.