

MANDATORY CONDITIONAL CASH OFFER

by



CIMB BANK BERHAD (13491-P)

Singapore Branch

(Incorporated in Malaysia)

for and on behalf of

OEI HONG LEONG

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

IPC CORPORATION LTD

(Company Registration No. 198501057M)

(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Oei Hong Leong

OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 **The Offer.** CIMB Bank Berhad, Singapore Branch ("**CIMB**") wishes to announce, for and on behalf of Mr. Oei Hong Leong (the "**Offeror**"), that the Offeror intends to make a mandatory conditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of IPC Corporation Ltd ("**IPC**" or the "**Company**") other than those already owned, controlled or agreed to be acquired by the Offeror.

Further information on the Offeror is set out in Section 3 below.

- 1.2 **Acquisition.** Prior to the date of this Announcement (the "**Announcement Date**"), the Offeror owned an aggregate of 254,332,000 Shares, representing approximately 29.82% of the total number of Shares¹.

The Offeror has today acquired an aggregate of 6,319,200 additional Shares (comprising 1,400,000 Shares at S\$0.169 per Share and 4,919,200 Shares at S\$0.170 per Share) (the "**Acquisition**"). As a consequence of the Acquisition, the Offeror owns, controls or has agreed to acquire an aggregate of 260,651,200 Shares, representing approximately 30.56% of the total number of Shares.

¹ Unless otherwise stated, references in this Announcement to the total number of Shares are based on 852,920,638 Shares (based on a search conducted at the Accounting and Corporate Regulatory Authority of Singapore on 1 April 2015 ("**ACRA Search**"). Based on the ACRA Search, the Company does not hold any Shares in treasury.

- 1.3 **Mandatory Offer.** As a result of the Acquisition and in accordance with Rule 14 of The Singapore Code on Take-overs and Mergers (the “**Code**”), the Offeror is required to make a mandatory conditional cash offer for all the Shares other than those already owned, controlled or agreed to be acquired by the Offeror.

2. THE OFFER

Subject to the terms and conditions of the Offer to be set out in the formal offer document to be issued by CIMB for and on behalf of the Offeror (the “**Offer Document**”), the Offeror will make the Offer for the Offer Shares (as defined below) in accordance with Rule 14 of The Singapore Code on Take-overs and Mergers (the “**Code**”) on the following basis:

(a) **Offer Shares.**

- (i) The Offer will be extended to all the Shares other than those already owned, controlled or agreed to be acquired by the Offeror (the “**Offer Shares**”).
- (ii) For the avoidance of doubt, the Offer will be extended, on the same terms and conditions, to all the Shares owned, controlled or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror. For the purpose of the Offer, the expression “**Offer Shares**” shall include such Shares.
- (iii) The Company had announced on 3 March 2015 that it proposes to undertake a share consolidation pursuant to which the Company will consolidate every ten (10) Shares as at a books closure date to be determined by the directors of the Company (the “**Consolidation Record Date**”) into one (1) ordinary share (the “**Consolidated Shares**”), fractional entitlements to be disregarded (the “**Proposed Share Consolidation**”). The Proposed Share Consolidation is subject to approval of the shareholders of the Company (the “**Shareholders**”) by way of an ordinary resolution at an Extraordinary General Meeting of the Company to be convened. The Company has also announced on 6 March 2015 that it has received the approval in-principle from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing and quotation of the Consolidated Shares. For the purpose of the Offer, following the Consolidation Record Date (if the Proposed Share Consolidation is approved by Shareholders and implemented by the Company), the term “**Shares**” shall be taken to refer to the Consolidated Shares and the term “**Offer Shares**” shall be construed accordingly, unless the context otherwise requires.

- (b) **Offer Price.** The consideration for each Offer Share will be as follows:

For each Offer Share: S\$0.170 in cash (the “Offer Price”)

The Offer Price stated above is on the basis that the Proposed Share Consolidation has not yet been implemented by the Company. In the event the

Proposed Share Consolidation has been implemented by the Company, the consideration for each Offer Share being a Consolidated Share which is acquired by the Offeror under the Offer will be as follows:

For each Offer Share which is a Consolidated Share: S\$1.70 in cash (the “Adjusted Offer Price”)

The Adjusted Offer Price is arrived at by multiplying the Offer Price by 10, being the ratio of the Proposed Share Consolidation.

Accordingly, for illustrative purposes only:

- (i) if the Offer Settlement Date falls on or before the Consolidation Record Date, the Offeror will pay the relevant Shareholders the Offer Price for such Offer Shares which are acquired by the Offeror on a pre-consolidation basis. For the purposes of this Announcement, the expression “**Offer Settlement Date**” shall mean the date on which the Offer Shares tendered in acceptance by Shareholders pursuant to the Offer are transferred to the Offeror; and
 - (ii) if the Offer Settlement Date falls after the Consolidation Record Date, the Offeror will pay the relevant Shareholders the Adjusted Offer Price for such Offer Shares which are acquired by the Offeror on a post-consolidation basis.
- (c) **No Encumbrances.** The Offer Shares are to be acquired (i) fully paid, (ii) free from all claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Announcement Date, and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights and other distributions declared, paid or made by the Company (collectively, the “**Distributions**”) (if any), the Distribution Record Date for which falls on or after the Announcement Date. For the purpose of this Announcement, “**Distribution Record Date**” means, in relation to any Distributions, the date on which Shareholders must be registered with the Company or with The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such Distributions.
- (d) **Adjustments for Distributions.** Without prejudice to the generality of the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distributions, the Distribution Record Date for which falls on or after the Announcement Date. **In the event of any such Distribution, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution as follows**, depending on when the Offer Settlement Date falls:
- (i) if the Offer Settlement Date falls on or before the Distribution Record Date, the Offeror will pay the relevant accepting Shareholders the unadjusted Offer Price of S\$0.170 in cash for each Offer Share, as the Offeror will

receive the Distribution in respect of such Offer Shares from the Company;
and

- (ii) if the Offer Settlement Date falls after the Distribution Record Date, the Offer Price payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.

The foregoing provisions shall apply *mutatis mutandis* to the Adjusted Offer Price payable to accepting Shareholders in respect of Offer Shares which are Consolidated Shares.

- (e) **Adjustment for FY2014 Dividend.** As stated in the Company's unaudited financial statements and dividend announcement for the financial year ended 31 December 2014 ("FY2014") which was announced on the SGX-ST on 2 February 2015, the directors of the Company have proposed a final one-tier tax-exempt dividend of S\$0.0025 and a special one-tier tax-exempt dividend of S\$0.0035 (collectively, the "FY2014 Dividends"). The proposed FY2014 Dividends are subject to the approval of Shareholders.

For purely illustrative purposes only, assuming the Offer has become or been declared unconditional as to acceptances and the Offer Settlement Date in respect of Offer Shares validly tendered by a Shareholder in acceptance of the Offer falls after the Distribution Record Date in respect of the FY2014 Dividends, the Offeror will pay such accepting Shareholder S\$0.164 for each Offer Share (or S\$1.64 for each Offer Share which is a Consolidated Share) as the Offeror will not receive the FY2014 Dividends in respect of such Offer Shares.

- (f) **Minimum Acceptance Condition.** The Offer will be conditional upon the Offeror having received, by the close of the Offer, 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 and parties acting in concert with him (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with him holding such number of Shares carrying more than 50% of the voting rights attributable to the Shares (excluding any Shares held in treasury) as at the close of the Offer.

The Offer will be unconditional in all other respects.

- (g) **Revision of Terms of the Offer.** The Offeror reserves the right to revise the terms of the Offer in accordance with the Code.
- (h) **Further Details.** Further details of the Offer will be set out in the Offer Document.

3. INFORMATION ON THE OFFEROR

Mr. Oei Hong Leong is a Singaporean businessman with interests in a range of industries including property development and property holding.

Mr. Oei is the Chairman of, among others, Oei Hong Leong Foundation Pte. Ltd., Oei Hong Leong Art Museum Limited and Canadian Metropolitan Properties Corporation. He is also a substantial shareholder of two publicly listed companies in Singapore.

4. INFORMATION ON IPC

IPC is a company incorporated in Singapore on 8 May 1985 and is listed on the Main Board of the SGX-ST.

According to IPC's annual report for the financial year ended 31 December 2013, IPC is engaged in the investment and development of properties primarily in Asia Pacific and America. The businesses of IPC and its subsidiaries (the "**Group**") include investment holding, property investment, property development, investing and reselling properties, property consulting and sale and distribution of telecommunication products.

As at the Announcement Date, the Company has an issued and paid-up share capital of S\$169,982,779.81 comprising 852,920,638 Shares. As at the Announcement Date, the Company does not hold any Shares in treasury.²

As at the Announcement Date, the directors of IPC are Ngiam Mia Je Patrick (Chairman & Chief Executive Officer), Ngiam Mia Kiat Benjamin (Managing Director), Lauw Hui Kian (Executive Director), Ngiam Mia Hai Bernard (Executive Director), Ngiam Mia Hong Alfred (Executive Director), Li Ling Xiu (Non-Executive Director), Lee Joo Hai (Non-Executive, Independent Director), Lee Soo Hoon Phillip (Non-Executive, Independent Director), Seah Seow Kang Steven (Non-Executive, Independent Director) and Lien Kait Long (Non-Executive, Independent Director).

5. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

5.1 **Rationale for the Offer.** As a result of the Acquisition as described in Section 1.2 above, the Offeror is required to make the Offer in compliance with the requirements of the Code.

5.2 **Intentions for the Company.** It is the intention of the Offeror that the Group will continue to develop and grow its existing business. The Offeror intends to undertake a review of the business of the Group following the close of the Offer with a view to identifying areas in which the strategic direction and operations of the Group can be enhanced. As part of the review, the Offeror may undertake an assessment of the human resource requirements of the Group in line with the future corporate direction of the Group. Additionally, the Offeror retains the flexibility at any time to consider any options in relation to the Group which may present themselves and which he may regard to be in the interests of the Company.

Save as disclosed above, the Offeror presently has no intentions to (a) introduce any major changes to the existing business of the Group, (b) re-deploy the fixed assets of the Group, or (c) discontinue the employment of existing employees of the Group, in each case, other than in the ordinary course of business.

² Based on the ACRA Search.

6. LISTING STATUS AND COMPULSORY ACQUISITION

6.1 **Listing Status and Trading Suspension.** Pursuant to Rule 1105 of the Listing Manual of the SGX-ST (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 his concert parties to above 90% of the total number of Shares (excluding any Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until it is satisfied that at least 10% of the total number of Shares (excluding any Shares held in treasury) 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 (excluding any Shares held in treasury), thus causing the percentage of the total number of Shares (excluding any Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of Shares (excluding any Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the 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 Shares (excluding any Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

It is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer. However, in the event that the percentage of Shares (excluding any Shares held in treasury) held in public hands falls below 10% and the SGX-ST suspends trading of the Shares, the Offeror reserves the right to re-evaluate its position, taking into account, amongst other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time. Accordingly, there is no assurance that the Offeror will take steps to preserve the listing status of the Company on the SGX-ST if the public float of the Company is less than 10%.

6.2 **Compulsory Acquisition.** As the Offeror is an individual (rather than a company or corporation), he is not entitled to invoke the compulsory acquisition procedure under Section 215 of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”). In relation to Section 215(3) of the Companies Act, Shareholders are advised to seek their own independent legal advice.

7. FINANCIAL ASPECTS OF THE OFFER

The Offer Price represents the following premia over certain historical market prices³ of the Shares as set out below:

Description	Share Price (S\$)	Premium of Offer Price over Share Price (%)
(a) Last traded price of the Shares on 31 March 2015 (being the last market day on which the Shares were traded on the SGX-ST prior to the Announcement Date (the “ Last Trading Day ”)).	0.166	2.41
(b) Volume weighted average price of the Shares on the SGX-ST (“ VWAP ”) for the 1-month period up to and including the Last Trading Day.	0.161	5.59
(c) VWAP for the 3-month period up to and including the Last Trading Day.	0.160	6.25
(d) VWAP for the 6-month period up to and including the Last Trading Day.	0.157	8.28
(e) VWAP for the 12-month period up to and including the Last Trading Day.	0.154	10.39

8. DISCLOSURE OF SHAREHOLDINGS

8.1 **Shareholdings.** The Appendix to this Announcement sets out, based on the latest information available to the Offeror, the number of the Company Securities (as defined in Section 8.2 of this Announcement) owned, controlled or agreed to be acquired as at the Announcement Date by:

- (a) the Offeror;
 - (b) the Offeror’s spouse and children;
 - (c) companies which are, directly or indirectly, wholly-owned by the Offeror, his spouse, and/or his children; and
 - (d) CIMB,
- (collectively, the “**Relevant Persons**”).

³ The historical market prices of the Shares (rounded to the nearest three (3) decimal places) and the corresponding premia are computed based on data extracted from Bloomberg L.P..

- 8.2 **No Other Holdings.** Save as disclosed in this Announcement, as at the Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons 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 the Shares or securities which carry voting rights in the Company (collectively, the “**Company Securities**”).
- 8.3 **Other Arrangements.** As at the Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons has:
- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Company Securities which might be material to the Offer;
 - (b) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
 - (c) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
 - (d) lent any Company Securities to another person.
- 8.4 **No Irrevocable Commitments.** As at the Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons has received any irrevocable commitment from any party to accept or reject the Offer.
- 8.5 **Further Enquiries.** In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Offer Document.

9. CONFIRMATION OF FINANCIAL RESOURCES

CIMB, 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 in respect of the Offer Shares.

10. OFFER DOCUMENT

The Offer Document setting out the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Announcement Date. The Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document. **Shareholders are advised to exercise caution when dealing in the Shares.**

11. OVERSEAS SHAREHOLDERS

- 11.1 **Overseas Jurisdictions.** This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any 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 (“**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 within any Restricted Jurisdiction.

- 11.2 **Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of CDP (as the case may be) (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.

For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Offer Document and the relevant form(s) of acceptance may not be sent. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

- 11.3 **Copies of the Offer Document.** Where there are potential restrictions on sending the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document to any overseas jurisdiction, the Offeror and CIMB each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdiction. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Offer Document and the relevant form(s) of acceptance from the office of the Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Shareholder may, subject to compliance with

applicable laws, write to the Offeror c/o the Company's share registrar at the above-stated address to request for the Offer Document and the relevant form(s) of acceptance to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) market days prior to the close of the Offer.

12. RESPONSIBILITY STATEMENT

The Offeror has 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 he accepts responsibility accordingly.

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

Issued by

CIMB Bank Berhad, Singapore Branch

For and on behalf of

Oei Hong Leong

1 April 2015

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

CIMB Bank Berhad, Singapore Branch
Investment Banking
Tel: (65) 6210 8956

Mr Eric Wong
Director, Investment Banking

Mr Tony Toh
Director, Investment Banking

IMPORTANT NOTICE

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 "expect", "anticipate", "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 current expectations, beliefs, hopes, intentions or strategies of the party making the statements 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 or outcomes 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 CIMB undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

APPENDIX

DISCLOSURE OF SHAREHOLDINGS

The table below sets out the number of Shares owned, controlled or agreed to be acquired by the Relevant Persons as at the Announcement Date:

<u>Name</u>	<u>No. of Shares</u>	<u>%</u>
Offeror ⁽¹⁾	260,651,200	30.56
CIMB ⁽²⁾	3	n.m.

Notes:

- (1) Including Shares which were acquired pursuant to the Acquisition.
- (2) Held by CIMB Securities (Singapore) Pte. Ltd., a related corporation of CIMB.