

AURIC PACIFIC GROUP LIMITED

(Company Registration Number: 198802981D)
(Incorporated in the Republic of Singapore)

SILVER CREEK CAPITAL PTE. LTD.

(Company Registration Number: 201634229W)
(Incorporated in the Republic of Singapore)

JOINT ANNOUNCEMENT

VOLUNTARY CONDITIONAL CASH OFFER OF AURIC PACIFIC GROUP LIMITED

- Proposed voluntary delisting of APGL
 - Waiver from compliance with Rule 1307 of the Listing Manual
 - Extended Offer (as defined below)
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- **Offer Price of S\$1.65 per Share is FINAL and will NOT be revised**
- **Offeror NOT entitled to compulsorily acquire remaining Shares**
- **Remaining Shareholders NOT entitled to “put” their Shares to Offeror**

1. Introduction

On 7 February 2017, Silver Creek Capital Pte. Ltd. (“**Offeror**”), an entity jointly owned by Dr. Stephen Riady (“**SR**”) and Dr. Andy Adhiwana (“**AA**”), announced a voluntary conditional cash offer (“**Offer**”) for all the issued and paid-up ordinary shares (“**Shares**”) in the capital of Auric Pacific Group Limited (“**APGL**”), other than those which are owned, controlled or agreed to be acquired by the Offeror or by its Concert Parties. The offer document setting out the terms and conditions of the Offer (“**Offer Document**”) was despatched on 21 February 2017.

Unless otherwise defined, capitalised terms in this announcement (“**Announcement**”) have the same meanings as defined in the Offer Document.

2. Delisting**2.1 SGX-ST Confirmations**

The SGX-ST had on 13 March 2017 confirmed that it has no objection:

- (a) to the voluntary delisting of APGL from the SGX-ST upon completion of the Offer;
- (b) to the waiver of the requirement under Rule 1307 of the Listing Manual that the delisting be approved by Shareholders in a general meeting (“**Voting Confirmation**”); and
- (c) to the Extended Offer (as defined below), on the same terms and price as the Offer, to be provided to shareholders of APGL (“**Shareholders**”) pursuant to Rule 1309 of the Listing Manual,

provided that the Extended Offer shall remain open for acceptance by Shareholders who have not accepted the Offer for a period of no less than 14 days after the Offeror announces (if such

be the case) that the Offeror and its Concert Parties hold more than 90% of all the outstanding Shares (i.e., the Acceptance Condition is satisfied), resulting in the free float of APGL falling below 10% ("**Exit Offer Confirmation**").

The SGX-ST confirmations are subject to:

- (i) an immediate announcement via SGXNet of the waiver from compliance with Listing Rule 1307 granted, the reasons for seeking the waiver and the conditions imposed as required under Rule 107 of the Listing Manual;
- (ii) submission of a written confirmation from APGL that the waiver from compliance with Listing Rule 1307 does not contravene any laws and regulations governing APGL and the articles of association of APGL;
- (iii) disclosure via SGXNet announcement of an unqualified opinion from both the board of directors of APGL and the independent financial adviser that the terms and price of the Extended Offer pursuant to Listing Rule 1309 are fair and reasonable; and
- (iv) compliance with the provisions under the Singapore Code on Take-overs and Mergers (the "**Code**") and all applicable laws and regulations.

The SGX-ST confirmations are not an indication of the merits of the delisting, the Offer, the Extended Offer, the Offeror and/or its Concert Parties, APGL and or its subsidiaries.

2.2 Voting Confirmation and Reasons for Confirmation

Rule 1307 of the Listing Manual requires the delisting of an SGX-ST listed company to be approved by the shareholders of the company in a general meeting, with a specific voting approval threshold requirement that the delisting resolution must not have been voted against by 10% or more of the shareholders of the company present and voting, on a poll, at the meeting.

If the delisting of the APGL were put to a vote by Shareholders, the Offeror, LCR and Goldstream undertake to vote all their Shares in favour of the delisting resolution, in line with the public disclosures previously made by the Offeror in relation to its intention to delist APGL from the SGX-ST.

Accordingly, on the basis that the Offeror and its Concert Parties hold more than 90% of all the outstanding Shares and the Acceptance Condition has been satisfied, it is a given conclusion that any delisting resolution will be approved. For that reason, it would be an unnecessary expenditure of time and costs if APGL were required to call a general meeting of the Shareholders to approve the delisting.

2.3 Exit Offer Confirmation and Reasons for Confirmation

In connection with the delisting of an SGX-ST listed company, Rule 1309 of the Listing Manual requires that an exit offer be made to shareholders of the company, which should normally be in cash and should normally be advised on by an independent financial adviser.

Once the Offeror and its Concert Parties hold more than 90% of all the outstanding Shares and the Acceptance Condition is satisfied and the Offer is declared unconditional, the Offeror will extend the Offer by a further period of at least 14 days ("**Extended Offer**") from the date on which:

- (a) the Offeror announces that the Acceptance Condition is satisfied and that the Offer is declared unconditional; or
- (b) the Offer would otherwise have closed,

whichever is later. The Extended Offer will serve as the exit offer required under Rule 1309 of the Listing Manual. Accordingly, Shareholders who have not accepted the Offer will have an opportunity to exit (in cash) their investment in APGL at the Offer Price.

The independent financial adviser¹ ("**IFA**"), MS Corporate Finance Pte. Ltd., has opined that the Offer is fair and reasonable².

Additionally, as the Offeror has stated that it will not revise the Offer Price, the Offeror is prohibited under Rule 33.2 of the Code from acquiring Shares at above the Offer Price or on terms better than the terms of the Offer within six months of the close of the Offer. Accordingly, any exit offer made within the six-month period would not present Shareholders with a better opportunity than the Extended Offer to exit their investment in APGL.

Furthermore, an exit offer is not materially different from a takeover offer regulated under the Code. If an exit offer is required to be made, APGL would incur additional costs and expenses in appointing another independent financial adviser (which will be giving its opinion on the Offer Price, when there is already an existing independent financial adviser's opinion that the Offer is fair and reasonable), and preparing the circular to Shareholders.

2.4 Time of Delisting

The delisting will take effect after the close of the Offer. The actual date of the delisting will be announced in due course.

2.5 IFA's Opinion on Extended Offer

On the same basis as the IFA's opinion referred to in **Paragraph 2.3** above, the IFA is of the opinion that the Extended Offer is fair and reasonable. Accordingly, it recommends to the directors of APGL to recommend to the Shareholders to either accept the Extended Offer or sell their Shares in the open market if they can obtain a price higher than the Offer Price after deducting transaction and related expenses.

2.6 APGL Directors' Recommendation on Extended Offer

The directors of APGL, having considered carefully the terms of the Extended Offer and the

¹ The independent financial adviser to the directors of APGL who are considered independent for the purposes of the Offer.

² The opinion should be read in conjunction with, and subject to, the entire circular to Shareholders dated 7 March 2017.

advice given by the IFA, concur with the advice of the IFA and recommendation thereon in respect of the Extended Offer and accordingly, recommend that Shareholders either accept the Extended Offer or sell their Shares in the open market if they can obtain a price higher than the Offer Price after deducting transaction and related expenses.

3. No Compulsory Acquisition Right

Pursuant to Section 215(1) of the Companies Act (Cap. 50 of Singapore) (“**Companies Act**”), if the Offer involves the transfer of all of the Shares and if the Offeror receives valid acceptances of the Offer and/or acquires such number of Offer Shares during the Offer period otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of Shares in issue (excluding treasury shares) as at the close of the Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer on the same terms as those offered under the Offer.

As the Offer does not extend to the Shares owned, controlled or agreed to be acquired by LCR or Goldstream, the Offer does not involve the transfer of all of the Shares. Therefore, the Offeror is not entitled to the rights of compulsory acquisition under Section 215(1) of the Companies Act to acquire any of the Shares of the Shareholders who have not accepted the Offer.

4. No Put Right

Shareholders who have not accepted the Offer have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares as at the close of the Offer.

The Offeror is owned by two individuals, SR and AA, and is therefore not a “related corporation” of LCR or Goldstream. As such, the 49.28% and 27.44% shareholdings of LCR and Goldstream, respectively, in APGL will not be aggregated with the Shares held by the Offeror for the purposes of Section 215(3) of the Companies Act and the Offeror will not hold 90% or more of all the outstanding Shares.

Accordingly, Shareholders who have not accepted the Offer will have no right and are not entitled under Section 215(3) of the Companies Act to require the Offeror to acquire any of their Shares.

5. Responsibility Statement

The directors of the Offeror (including any who may have delegated detailed supervision of this Announcement) and SR 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.

The directors of APGL (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 from published or publicly available sources, the sole responsibility of the directors of the Offeror and APGL, and SR 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 jointly

By order of the of the Board

Auric Pacific Group Limited

By order of the Board

Silver Creek Capital Pte. Ltd.

13 March 2017
Singapore