



BIOSENSORS INTERNATIONAL GROUP, LTD.

(Incorporated in Bermuda as an exempted company limited by shares)
(Company Registration Number: 24983)

CLARIFICATION ANNOUNCEMENT ON INDEPENDENCE OF INDEPENDENT FINANCIAL ADVISER

The Board of Directors (the “**Board**”) of Biosensors International Group, Ltd. (“**Biosensors**” or the “**Company**”) refers to (i) the announcement of the Company dated 4 November 2015 in relation to the proposed takeover by amalgamation (the “**Amalgamation**”) between the Company and CB Medical Holdings Limited, a substantial shareholder of the Company, under the laws of Bermuda, and (ii) the announcement of the Company dated 20 November 2015 in relation to the appointment of Evercore Asia (Singapore) Pte. Ltd. (“**Evercore Asia**” or the “**IFA**”) as the independent financial adviser to advise the directors of the Company who are considered independent for the purposes of the Amalgamation (the “**Independent Directors**”).

In connection with the above announcements, the Company understands that a number of shareholders queried the independence of the IFA in light of disclosures published on the website of the Evercore Group:

“Evercore Strategic Alliances

Evercore has set up strategic alliances with world-class financial institutions to help us serve our clients in geographies in which Evercore has not established its own offices.

CITIC Securities International

China-based CITIC Securities International is a wholly-owned subsidiary of CITIC Securities Co., Ltd., a leading investment bank listed on the Shanghai Stock Exchange. CITIC Securities has top rankings in the Chinese capital markets across its principal business areas of securities brokerage, investment banking and asset management. CITIC Securities is one of the SSE 50 constituent stocks as well as one of the top five constituent stocks of the FTSE/Xinhua A50 China Index. Based in Hong Kong, CITIC Securities International leads CITIC Securities to spearhead expansion into global capital markets.”

In response to this matter, the Special Committee of the Independent Directors of the Company wish to advise shareholders that it considers Evercore Asia to be independent and suitable to be appointed as the independent financial advisor to the Independent Directors for the Amalgamation pursuant to the requirements under the Singapore Code on Takeovers and Mergers. Key considerations are as follows:

1. The Special Committee of the Independent Directors understand from Evercore Asia that:
 - a. The strategic alliance (“**Strategic Alliance**”) is a non-exclusive arrangement between Evercore Partners Services East L.L.C. (“**Evercore East**”) and CITIC Securities International (“**CITIC Securities**”). The Strategic Alliance does not involve Evercore Asia.

- b. CITIC Private Equity Funds Management Co., Ltd ("**CITIC PE**") and CITIC Securities are considered independent from each other in terms of their respective day to day operations. Based on publicly available filings, CITIC Securities holds a shareholding of 35% in CITIC PE, and does not consolidate this investment for accounting purposes.
 - c. To-date, the Evercore Group has not received any fees from the Strategic Alliance. The relationship between the Evercore East and CITIC Securities is non-exclusive and it is insufficiently material as to prevent Evercore Asia from providing independent financial advice to the Independent Directors.
 - d. Evercore Asia has had no contact with CITIC PE or any of its advisers for the purposes of the IFA engagement. Evercore Asia itself does not have any prior or other dealings or have any financial connection with CITIC Securities as well as the other members of the offeror group and their concert parties such as to create a conflict of interest.
 - e. Although Evercore Asia and Evercore East are affiliated companies, Evercore Asia and Evercore East are separate legal entities where there is segregation and no overlap of members of each executive management team. In other words, Evercore Asia is independently managed.
2. Based on the representations made by Evercore Asia to the Independent Directors, Evercore Asia does not possess material confidential information in respect of the offeror group and the Evercore Asia team working on this transaction is completely segregated from other Evercore teams dealing with CITIC Securities. Under the engagement letter entered into with the Company, Evercore Asia has confirmed that *"Evercore has procedures to ensure independence of advice, which may include the establishment of Chinese walls, where appropriate and requiring employees to disregard a Material Interest if it arises"*.
3. Evercore Asia has represented to the Independent Directors in its engagement letter entered into with the Company that it is independent for the purposes of the Amalgamation as follows:

"Notwithstanding any provision herein or in the Standard Terms, Evercore confirms that it is independent in respect of the Transaction and will comply fully with all legal requirements and the regulatory requirements of all governmental and administrative bodies, including but not limited to the provisions of The Singapore Code on Take-overs and Mergers (the Take-overs Code)."

The directors of the Company (including any director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and 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.

BY ORDER OF THE BOARD

Yoh-Chie Lu

Chairman

13 January 2016, Singapore