

SPINDEX INDUSTRIES LIMITED
(Registration No.: 198701451M)

A. MANDATORY CONDITIONAL CASH OFFER BY DBS BANK LTD. FOR AND ON BEHALF OF HONG WEI HOLDINGS LTD

B. ANNOUNCEMENT BY STAR ENGINEERING LIMITED

UPDATE ANNOUNCEMENT

The board of directors ("**Board**") of Spindex Industries Limited (the "**Company**") refers to: (i) the announcement dated 6 March 2017 made by Star Engineering Limited ("**Star**") that it had issued a letter to the Company requesting that it be permitted to carry out due diligence on the group; and (ii) the Company's announcement dated 6 March 2017 relating to its response to Star.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Company's announcement dated 6 March 2017, unless otherwise expressly stated or the context otherwise requires.

The Independent Directors have on 7 March 2017 received a letter from Hong Wei Holdings Ltd ("**Hong Wei**"). In the letter, Hong Wei stated that:

"...as at 6 March 2017, we and parties acting in concert with us own, control, or have agreed to acquire in aggregate, approximately 50.30% of the total issued share capital of Spindex. In this regard, we hereby inform the Independent Directors that we and our concert parties will not consider accepting any competing offer (if any) by Star or any party for our shares in Spindex. Accordingly, we are of the position that at this point in time:

- (a) Star (or any other party) can no longer be considered a bona fide competing offeror as any competing offer will no longer be capable of turning unconditional as we and our concert parties own, control, or have agreed to acquire in aggregate more than 50% of the total issued share capital of Spindex; and*
- (b) Rule 9.2 of the Code is no longer applicable to Spindex.*

We would also like to remind the Independent Directors that:

- (i) Star is a subsidiary of Northstar Equity Partners IV Limited ("Northstar"), an investment fund advised and managed by Northstar Advisors Pte. Ltd., and that Northstar has recently acquired Innovalues Limited, a competitor of Spindex; and*
- (ii) the directors of Spindex has to consider the interests of the shareholders of the company as a whole (including Mr Tan Choo Pie @ Tan Chang Chai and Mr Tan Heok Ting) when deciding whether it is appropriate to grant a competitor of Spindex access to the company's information.*

For completeness, we would like to state that we object to Spindex granting due diligence access to Star or any party as we no longer consider Rule 9.2 of the Code to be applicable. If the Independent Directors are not certain, we would invite the Independent Directors to consult the Securities Industry Council on the applicability of Rule 9.2 of the Code in view of the above."

The Company will give due consideration and take the necessary steps with regards to the issues raised. Shareholders will be updated of any material development at the appropriate stage.

Shareholders of the Company are advised to refrain from taking any action in relation to their issued and paid-up ordinary shares in the capital of the Company (“Shares”) which may be prejudicial to their interests, and to exercise caution when dealing in the Shares.

Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

The directors of the Company (including any who may have delegated detailed supervision of the preparation 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, where appropriate, no material facts in relation thereto have been omitted from this announcement, and the directors of the Company jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Chan Meng Wah Alexander
Independent Director
8 March 2017