ARA Asset Management Limited

(Company Registration No: 32276)

(Incorporated in Bermuda)

Athena Investment Company (Cayman) Limited

(Company Registration No: CT-316641)

(Incorporated in the Cayman Islands)

PROPOSED ACQUISITION BY ATHENA INVESTMENT COMPANY (CAYMAN) LIMITED OF ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF ARA ASSET MANAGEMENT LIMITED

RECEIPT OF APPROVAL-IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED AND STATUS OF SCHEME CONDITIONS

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1. INTRODUCTION

The board of directors of ARA Asset Management Limited (the "**Company**") refers to the joint announcement (the "**Joint Announcement**") dated 8 November 2016 made by the Company and Athena Investment Company (Cayman) Limited (the "**Offeror**") in relation to the proposed acquisition by the Offeror of all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") at a price in cash of S$1.78 for each Share, other than the Shares held by the Rollover Shareholders (as defined in the Joint Announcement), to be effected by way of a scheme of arrangement under Section 99 of the Companies Act 1981 of Bermuda, in compliance with the Singapore Code on Takeovers and Mergers.

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Joint Announcement.

2. RECEIPT OF APPROVAL-IN-PRINCIPLE FROM THE SGX-ST

2.1 Further to the Joint Announcement, an application was made to seek approval-in-principle from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms and upon completion of the Rollover Agreement.

2.2 The Board and the board of directors of the Offeror wish to announce that the SGX-ST has, on 28 December 2016, advised that it has no objection to the Company's application to delist from the Official List of the SGX-ST, subject to:

2.2.1 compliance with the SGX-ST's listing requirements;

2.2.2 approval of the Scheme by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Scheme Meeting, such majority holding not less than three-fourths in value of the Scheme Shares voted at the Scheme Meeting; and

2.2.3 sanction of the Scheme by the Supreme Court of Bermuda.

2.3 The above decision of the SGX-ST is not to be taken as an indication of the merits of the Scheme, the proposed delisting of the Company from the Official List of the SGX-ST, the Company, its subsidiaries and/or their securities.

2.4 The Scheme Document containing full details of the Scheme (including the recommendation of the Independent Directors and the letter containing the advice of the IFA) and giving notice of the Scheme Meeting to approve the Scheme will be despatched to Scheme Shareholders after, and subject to, the grant of an order of the Court to convene the Scheme Meeting.

2.5 In the meantime, Scheme Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendation of the Independent Directors on the Scheme as well as the advice of the IFA which will be set out in the Scheme Document.

3. STATUS OF SCHEME CONDITIONS

3.1 The Company and the Offeror wish to update the shareholders on the status of the Scheme Conditions. As at the date of this Announcement:

3.1.1 the confirmations required from the SIC as set out in paragraph 4(i) and paragraph 4(iii) of Schedule 1 of the Joint Announcement have been obtained;

3.1.2 the approval-in-principle of the SGX-ST as set out in paragraph 4(ii) of Schedule 1 of the Joint Announcement has been obtained;

3.1.3 the approval of the MAS as set out in paragraph 4(vi)(a) and paragraph 4(vi)(b) of Schedule 1 of the Joint Announcement has been obtained;

3.1.4 the approval of the SFC in respect of ARA Asset Management (Fortune) Limited and ARA Asset Management (Prosperity) Limited as set out in paragraph 4(vii) of Schedule 1 of the Joint Announcement has been obtained and the Company's counsel has confirmed that the approval of the SFC in respect of Hui Xian Asset Management Limited is not required for the purposes of the Acquisition;

3.1.5 the record filing notice from the NDRC, as set out in paragraph 4(v)(a) of Schedule 1 of the Joint Announcement, has been obtained; and

3.1.6 the consent of United Overseas Bank, as set out in paragraph 7 of Schedule 1 of the Joint Announcement, for the Acquisition and the delisting of the Company has been obtained and the Facility Agreements will remain in place after the close of the Acquisition and the delisting of the Company.

3.2 Save as stated herein, none of the other Scheme Conditions have been satisfied or waived.

4. RESPONSIBILITY STATEMENTS

4.1 **Company**. 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 which relate to the Company are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Announcement, and the directors of the Company jointly and severally accept responsibility accordingly.

Where any information which relates to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror or its concert parties, 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. The directors of the Company do not accept any responsibility for any information relating to the Offeror and/or its concert parties or any opinion expressed by the Offeror.

4.2 **Offeror**. The directors of the Offeror and each of the members of the Steering Committee (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 Offeror and each of the members of the Steering Committee jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror and the members of the Steering Committee 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. The directors of the Offeror and the members of the Steering Committee do not accept any responsibility for any information relating to or any opinion expressed by the Company.

29 December 2016

By order of the Board

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By order of the board of directors

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