

VOLUNTARY CONDITIONAL CASH PARTIAL OFFER

by



W CAPITAL MARKETS PTE. LTD.

(Incorporated in Singapore)

(Company Registration No.: 201813207E)

for and on behalf of

PRIME TRADE ENTERPRISES LIMITED

(Incorporated in the British Virgin Islands)

(Company Registration No.: 1527628)

an investment holding company ultimately
owned and controlled by certain members of the Thakral family

to acquire 26,510,000 ordinary shares in the issued and paid-up share capital of

THAKRAL CORPORATION LTD

(Incorporated in Singapore)

(Company Registration No.: 199306606E)

other than those already owned, controlled or agreed to be acquired by
the Offeror and parties acting in concert with it

OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1. **Partial Offer.** W Capital Markets Pte. Ltd. ("**W Capital**") wishes to announce, for and on behalf of Prime Trade Enterprises Limited (the "**Offeror**"), that the Offeror intends to make a voluntary conditional cash partial offer (the "**Partial Offer**") to acquire 26,510,000 ordinary shares in the issued and paid-up share capital (the "**Shares**") of Thakral Corporation Ltd (the "**Company**"), other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (collectively, the "**Offeror Group**") as at such date. The Offeror is an investment holding company ultimately owned and controlled by certain members of the Thakral family. If the Offeror receives by the Closing Date (as defined below) valid acceptances in respect of at least 26,510,000 Shares, this will result in the Offeror Group holding approximately 50.20% of the Shares in issue as at the Closing Date.
- 1.2. **Current Shareholdings.** As at the date of this announcement (the "**Announcement Date**"), subject to further enquiries to be made as described in Paragraph 13.3 of this announcement, the Offeror Group owns, controls or has agreed to acquire 39,188,560 Shares (the "**Offeror Group Shares**") (being approximately 29.95% of the total issued and paid-up share capital of

the Company).¹ Accordingly, the total number of Shares in issue which are not already owned, controlled or agreed to be acquired by the Offeror Group (the “**Relevant Shares**”) as at the Announcement Date is 91,672,056 Shares (being approximately 70.05% of the total issued and paid-up share capital of the Company).

2. THE PARTIAL OFFER

2.1. Principal Terms of the Partial Offer. Subject to the terms and conditions of the Partial Offer set out in the formal offer document to be issued in respect of the Partial Offer (the “**Offer Document**”), the Offeror will make the Partial Offer on the following basis.

- (a) The Partial Offer will be made for 26,510,000 Shares not already owned, controlled or agreed to be acquired by the Offeror Group (the “**Offer Shares**”) in accordance with Section 139 of the Securities and Futures Act (Cap. 289) of Singapore and Rule 16.4 the Singapore Code on Take-overs and Mergers (the “**Code**”).
- (b) The Partial Offer will be extended to all shareholders of the Company as at the Record Date (as defined below) other than the Offeror Group (the “**Relevant Shareholders**”).
- (c) The price for each Offer Share (the “**Offer Price**”) will be as follows: S\$0.50 in cash for each Offer Share.
- (d) The Offer Shares will be acquired:
 - (i) fully paid;
 - (ii) free from any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing; and
 - (iii) together with all rights, benefits and entitlements 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 and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, “**Distributions**”) on or after the Announcement Date.

Without prejudice to 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 that may be declared, paid or made by the Company on or after the Announcement Date. Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer (the “**Accepting Shareholder**”) shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such Accepting Shareholder falls, as follows:

¹ All shareholding percentages disclosed throughout this announcement are calculated based on the total number of 130,860,616 Shares in issue. This is based on information extracted from the financial results announcement of the Company for the full year and fourth quarter ended 31 December 2018 dated 28 February 2019 (the “**FY2018 Results Announcement**”).

- (1) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distributions (the “**Books Closure Date**”), the Offer Price shall remain unadjusted for each such Offer Share, as the Offeror will receive the Distributions in respect of such Offer Share from the Company; and
 - (2) if such settlement date falls after the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distributions in respect of each Offer Share, as the Offeror will not receive the Distributions in respect of such Offer Share from the Company.
- (e) The Partial Offer will be subject to the following conditions:
- (i) the Offeror, having received by the Closing Date (as defined below), valid acceptances in respect of at least 26,510,000 Shares which, when taken together with the Offeror Group Shares, will result in the Offeror Group holding approximately 50.20% of the Shares in issue as at the Closing Date; and
 - (ii) the Offeror having received by the Closing Date, approval for the Partial Offer by the Relevant Shareholders representing more than 50.00% of the valid votes received (provided that the Offeror, parties acting in concert with it and their respective associates shall abstain from voting).

The Partial Offer will be unconditional in all other respects.

Employee Share Options and Share Awards. The Thakral Corporation Employees’ Share Option Scheme 2001 (the “**2001 Scheme**”) and the Thakral Corporation Employees’ Share Performance Plan 2001 (the “**2001 Plan**”) were approved and adopted on 30 March 2001. No awards have been issued since the adoption of the 2001 Plan, and no new options have been granted under the 2001 Scheme since March 2007. The 2001 Scheme and the 2001 Plan expired on 30 March 2011, and all outstanding share options granted under the 2001 Scheme have expired.² As at the Announcement Date, based on the latest information available to the Offeror, the Offeror is not aware of any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.³

2.2. Overseas Shareholders. 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 Partial 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 Partial Offer, including details of how the Partial Offer may be accepted. For the avoidance of doubt, the Partial Offer will be open to all Shareholders, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent. 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. The availability of the Partial Offer to Shareholders whose addresses are outside Singapore, as shown in the register of shareholders of the Company or, as the case may be, in the records of The Central Depository (Pte) Limited

² Based on information extracted from the annual report of the Company for the financial year ended 31 December 2017 (the “**2017 Annual Report**”) and the FY2018 Results Announcement.

³ Based on information extracted from the FY2018 Results Announcement.

(each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions. Where there are potential restrictions on sending the Offer Document to any overseas jurisdictions, the Offeror and W Capital each reserves the right not to send the Offer Document to such overseas jurisdictions. Alternatively, an affected Overseas Shareholder may write to the Company’s share registrar to request the Offer Document to be sent to an address in Singapore by ordinary post at his own risk.

3. SIC APPROVAL

3.1. SIC Approval. On 31 January 2019, the Securities Industry Council (“**SIC**”) granted its consent to the making of the Partial Offer, subject to the applicable conditions under Rule 16.4 of the Code.

3.2. The applicable requirements of Rule 16.4 of the Code are as follows:

- (a) the Partial Offer is not a mandatory offer under Rule 14 of the Code;
- (b) the Offeror confirms and undertakes in its application for consent that it and its concert parties did not and will not acquire any voting shares (excluding voting shares acquired by the Offeror and its concert parties via a rights issue and/or bonus issue without increasing their aggregate percentage shareholdings) in the Company:
 - (i) in the six months prior to the Announcement Date (and confirms this fact in the Announcement);
 - (ii) in the period between submitting the application for the SIC’s consent and the making of the Partial Offer;
 - (iii) during the offer period (except pursuant to the Partial Offer); and
 - (iv) during a period of six months after the Closing Date, if the Partial Offer becomes unconditional as to acceptances;
- (c) the Partial Offer is conditional, not only on the specified number or percentage of acceptances being received, but also on approval by the Company’s shareholders. The Offeror, parties acting in concert with it and their associates are not allowed to vote on the Partial Offer. Voting should be:
 - (i) if a general meeting is convened, by way of a poll on a separate ordinary resolution on the Partial Offer. The Partial Offer must be approved by shareholders (present and voting either in person or by proxy) of more than 50.00% of the votes cast; or
 - (ii) if it is on the form of acceptance for the Partial Offer, in a separate box with the number of voting shares indicated. The Partial Offer must be approved by shareholders of more than 50.00% of the votes received. Upon the close of the Partial Offer, the receiving agent must confirm in writing to the SIC that it has done the necessary checks and verification to ensure that votes (if any) cast by shareholders of the Company not allowed to vote, are disregarded and excluded for the purpose of determining shareholders’ approval for the Partial Offer;

- (d) arrangements are made with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) prior to the posting of the Offer Document to provide a temporary trading counter to trade odd-lots in the Shares after the close of the Partial Offer. Such counter should be open for a reasonable period of time, which in any case should not be shorter than one month;
- (e) the Offer Document contains a specific and prominent statement to the effect that if the Partial Offer succeeds, the Offeror will be able to exercise statutory control over the Company and that the Offeror and its concert parties will be free, subject to the six-month period specified in Paragraph 3.2(b)(iv) of this announcement above, to acquire further shares without incurring any obligation to make a general offer;
- (f) the Partial Offer is made to all shareholders of the class and arrangements are made for those shareholders who wish to accept in full for the relevant percentage of their holdings. Shares tendered in excess of this percentage should be accepted by the Offeror from each shareholder in the same proportion as the number tendered to the extent necessary to enable the Offeror to obtain the relevant number of Offer Shares. The Offeror should arrange its acceptance procedure to minimise the number of new odd-lot shareholdings;
- (g) if the Company has more than one class of equity share capital, a comparable offer is made for each other class;
- (h) an appropriate Partial Offer is made for outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights. In addition, the Partial Offer must be extended to holders of newly issued Shares arising from the exercise of such instruments, subscription rights or options during the offer period; and
- (i) the precise number of Shares, percentage or proportion offered is stated, and the Partial Offer may not be declared unconditional as to acceptances unless acceptances are received for not less than that number, percentage or proportion.

3.3. In connection with the condition set out in Paragraph 3.2(b) of this announcement, the Offeror has confirmed and provided the relevant undertaking to the SIC.

4. NO IRREVOCABLE UNDERTAKINGS

Neither the Offeror nor parties acting in concert with it has received any irrevocable undertaking from any party (including any party acting in concert with the Offeror) to accept or reject the Partial Offer as at the date of this announcement.

5. FIRST CLOSING DATE

The Partial Offer will remain open for approval and acceptance by the Relevant Shareholders for a period of not less than 28 days from the date of despatch of the Offer Document (the “**First Closing Date**”). Details of the First Closing Date will be announced in due course.

6. RECORD DATE

The Transfer Books and Register of Members of the Company will be closed as at the books closure date (the “**Record Date**”), being the 14th day before the First Closing Date (or if such date falls on a non-business day, the following business day), for the purposes of determining

the entitlements of the Relevant Shareholders to the Partial Offer. Details of the Record Date will be announced in due course.

7. ACCEPTANCES AND APPROVAL OF THE PARTIAL OFFER

- 7.1. Acceptance of Partial Offer.** Each Relevant Shareholder will be entitled to accept the Partial Offer in respect of its minimum entitlement, being the relevant percentage as at the Record Date (calculated based on 26,510,000 Offer Shares expressed as a percentage of the Shares in issue as at the Record Date (less the Offeror Group Shares) (the “**Relevant Percentage**”)), fractional entitlements to be disregarded (the “**Relevant Percentage Offer Shares**”). A Relevant Shareholder may accept the Partial Offer in respect of all or any part of its Relevant Percentage Offer Shares. This entitlement is not transferable.
- 7.2. Excess Shares.** Each Relevant Shareholder may, in addition to its Relevant Percentage Offer Shares, tender Shares that are in excess of the number of its Relevant Percentage Offer Shares (the “**Excess Shares**”) for acceptance under the Partial Offer in the event that any one or more Relevant Shareholders do not accept their full entitlement of their respective Relevant Percentage Offer Shares.
- 7.3. Settlement.** Subject to the Partial Offer becoming unconditional in all respects, settlement of the consideration for the Offer Shares acquired by the Offeror will be made within 7 business days of the closing date of the Partial Offer, being the First Closing Date or such other later date as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”).
- 7.4. Meeting of Acceptances by the Offeror.** Under the Partial Offer, the Offeror is permitted to acquire only the Offer Shares and is not permitted to acquire any additional Shares which may be tendered for acceptance under the Partial Offer. Where the aggregate number of the Relevant Percentage Offer Shares accepted and the Excess Shares tendered by the Relevant Shareholders exceed the number of the Offer Shares, the Excess Shares tendered will be accepted up to the number of Offer Shares on a pro-rata basis (but in a manner which minimises the number of new odd-lot shareholdings as the Offeror may in its absolute discretion deem fit in the interest of the Offeror), provided that any one or more of the Relevant Shareholders do not accept their full entitlement of their respective Relevant Percentage Offer Shares and the Partial Offer becomes unconditional in all respects.
- 7.5. Approval of Partial Offer.** A Relevant Shareholder may approve, reject or abstain from voting on the Partial Offer. Relevant Shareholders may vote all or any number of Shares held by them as at the Record Date for or against the Partial Offer, whether or not they wish to accept the Partial Offer. Relevant Shareholders who wish to: (i) sell their Shares by accepting the Partial Offer; or (ii) support the Partial Offer but wish to retain their Shares, may wish to vote in favour of the Partial Offer. Relevant Shareholders who do not wish to approve the Partial Offer may abstain from voting on or vote against the Partial Offer. Voting will be conducted by way of the form of acceptance for the Partial Offer and such votes must be received on or prior to the Closing Date. A separate box will be provided on the form of acceptance for Relevant Shareholders to indicate their vote on the Partial Offer. Further instructions for the voting on the Partial Offer will be provided in the Offer Document.
- 7.6. Timing for Acceptance and Approval.** A Relevant Shareholder may tender Shares for acceptance under the Partial Offer and vote on the Partial Offer at the same time or at separate times but provided that such acceptance and/or votes must be received on or prior to the Closing Date in accordance with the instructions to be set out in the Offer Document.

8. DESCRIPTION OF THE OFFEROR

- 8.1. Information on the Offeror.** The Offeror is a company incorporated in the British Virgin Islands on 8 April 2009 and its principal activity is that of an investment holding company. As at the Announcement Date, its sole director and shareholder is Bikramjit Singh Thakral.
- 8.2. Restructuring Exercise.** As disclosed in Paragraph 1.2 of this announcement above, the Offeror Group owns, controls or has agreed to acquire 39,188,560 Offeror Group Shares (being approximately 29.95% of the total issued and paid-up share capital of the Company). For the purposes of the Partial Offer, the Offeror Group (excluding Mr. Chennoth Divakara Prabhu Rajendran and Mr. Anil Moolchand Daryanani) (the “**Thakral Family Entities**”) intend to restructure their aforementioned shareholding interests so that all the Offeror Group Shares held by the Thakral Family Entities will be held by and through the Offeror prior to the launch of the Partial Offer (the “**Restructuring Exercise**”). The Restructuring Exercise will not involve the payment of any consideration (save for nominal consideration), and the shareholding interest of the Offeror Group prior to and immediately after completion of the Restructuring Exercise will remain the same.

A summary of the Restructuring Exercise is as follows:

- (a) Thakral Group Limited, a private trust company, was incorporated in Singapore on 15 February 2019 as a public company limited by guarantee (the “**Trustee**”). The members of the Trustee are Gurmukh Singh Thakral, Inderbethal Singh Thakral, Karan Singh Thakral, Rikhipal Singh Thakral and Indergopal Singh Thakral. The directors of the Trustee are Kartar Singh Thakral, Gurmukh Singh Thakral (alternate: Bikramjit Singh Thakral), Karan Singh Thakral, Inderbethal Singh Thakral, Rikhipal Singh Thakral and Indergopal Singh Thakral. The Trustee will administer the S S Thakral Trust, a full discretionary trust for the benefit of certain members of the extended Thakral family, which will be incorporated in due course.
- (b) Bikramjit Singh Thakral, the director and sole shareholder of the Offeror, will transfer 100% of his shareholding interest in the Offeror to the Trustee at nominal consideration. Thereafter, the Offeror will be wholly-owned by the Trustee.
- (c) As at the date of this Announcement, the Offeror holds 19,226,278 Shares. The Thakral Family Entities will transfer all their respective shareholding interests in the Company to the Offeror at nominal consideration. Thereafter, on completion of the Restructuring Exercise, the Offeror will hold 39,182,560 Shares.

The organisation chart of the Offeror immediately on completion of the Restructuring Exercise is set out in **Appendix B** of this announcement.

9. DESCRIPTION OF THE COMPANY

- 9.1. Business.** The Company has been listed on the Mainboard of the SGX-ST since December 1995 and has two core divisions – the Lifestyle Division and the Investment Division. The Lifestyle Division supports foreign beauty, wellness and lifestyle brands in key markets in Asia, in particular, the People’s Republic of China (including the Hong Kong Special Administrative Region), Southeast Asia and India. The Investment Division invests, directly or with co-investors, in real estate and other opportunities including property-backed financial instruments, with a main focus on Australia, Japan and Singapore.

9.2. Share Capital and Shareholding. Based on the latest information available to the Offeror⁴, the Company has an issued and paid-up share capital comprising 130,860,616 Shares and the shareholding interests of the directors and substantial shareholders of the Company are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Directors				
Kartar Singh Thakral	-	-	39,073,660 ⁽¹⁾	29.86
Inderbethyl Singh Thakral	-	-	39,073,660 ⁽¹⁾	29.86
Bikramjit Singh Thakral	8,900	0.01	35,823,660 ⁽⁵⁾	27.38
Substantial Shareholders (other than Directors)				
Manbeen Kaur Thakral	-	-	39,073,167 ⁽²⁾	29.86
Thakral Investments Limited	9,720,639	7.43	29,352,528 ⁽³⁾	22.43
Preview Investments Limited	6,876,250	5.25	22,476,278 ⁽⁴⁾	17.18
Prime Trade Enterprises Limited	19,226,278	14.69	-	-
Venture Delta Limited	10,122,667	7.74	-	-
Constellation Star Holdings Limited	-	-	10,122,667 ⁽⁶⁾	7.74
China Yuchai International Limited	-	-	10,122,667 ⁽⁶⁾	7.74
HL Technology Systems Pte Ltd	-	-	10,122,667 ⁽⁶⁾	7.74
Hong Leong (China) Limited	-	-	10,122,667 ⁽⁶⁾	7.74
Hong Leong Asia Ltd.	-	-	10,122,667 ⁽⁶⁾	7.74
Hong Leong Corporation Holdings Pte Ltd	-	-	10,122,667 ⁽⁶⁾	7.74
Hong Leong Enterprises Pte. Ltd.	-	-	10,122,667 ⁽⁶⁾	7.74
Hong Leong Investment Holdings Pte. Ltd.	-	-	10,122,667 ⁽⁶⁾	7.74
Davos Investment Holdings Private Limited	-	-	10,122,667 ⁽⁶⁾	7.74
Kwek Holdings Pte Ltd	-	-	10,122,667 ⁽⁶⁾	7.74

Notes:-

- (1) Held through Thakral Investments Limited, TPL Investments Pte Ltd⁽⁷⁾, Preview Investments Limited, Prime Trade Enterprises Limited and Market Watch Ltd⁽⁸⁾.
- (2) Held through Thakral Investments Limited, Preview Investments Limited, Prime Trade Enterprises Limited and Market Watch Ltd.
- (3) Held through Preview Investments Limited, Prime Trade Enterprises Limited and Market Watch Ltd.
- (4) Held through Prime Trade Enterprises Limited and Market Watch Ltd.
- (5) Held through Prime Trade Enterprises Limited, Thakral Investments Limited, Preview Investments Limited and TPL Investments Pte Ltd.
- (6) Held through Venture Delta Limited.
- (7) TPL Investments Pte Ltd holds 493 Shares which amounts to an interest of 0.0004% in the Company.
- (8) Market Watch Ltd holds 3.25 million Shares which amounts to an interest of 2.48% in the Company.

9.3. Directors. Based on the latest information available to the Offeror⁵, the directors of the Company are:

- (a) Mr. Natarajan Subramaniam (Independent Non-Executive Chairman and Lead Independent Director);
- (b) Mr. Kartar Singh Thakral (Executive Director);
- (c) Mr. Inderbethyl Singh Thakral (Executive Director and Chief Executive Officer);

⁴ Based on information extracted from the 2017 Annual Report and from the announcement released by the Company on 18 July 2018.

⁵ Based on information extracted from an announcement released by the Company on 28 February 2019.

- (d) Mr. Lee Ying Cheun (Independent Non-Executive Director);
- (e) Mr. Dileep Nair (Independent Non-Executive Director); and
- (f) Mr. Bikramjit Singh Thakral (Alternate Non-Executive Director to Kartar Singh Thakral).

10. RATIONALE FOR THE PARTIAL OFFER

10.1. The Company has recently reported strong growth in its Investment Division, paving the way for a positive future and continuing growth for the Company. Furthermore, in an attempt to increase the overall value of the Company and the Shares, the Company has also heavily invested in its public and investor relations to improve communication with the shareholders of the Company and the investment community by engaging a consultant company to conduct its public and investor relations programme. Despite expanding its investment footprint, reporting strong financial results and adopting measures to extend its positive media coverage, certain members of the Thakral family who form part of the management of the Company (the “**Management**”) have noted that the influence of such activities on the trading liquidity and price of the Shares was not as optimal as the Management had envisioned.

10.2. In light of the above, the Offeror is seeking to acquire a controlling interest in the Company for the following reasons:

- (a) upon successful close of the Partial Offer, the Offeror Group would be able to obtain better control of the Company, enhance growth and have greater flexibility to pursue certain business decisions that benefit the Company and therefore increase the overall value of the Company;
- (b) having a majority shareholder in the Company has its advantages, including the following:
 - (i) a shareholder with majority control has its incentives relatively well aligned with the Company, and such majority shareholder would usually have every incentive (in addition to power) to ensure that the Management aligns its interests with, and does its best in creating value for, all Shareholders;
 - (ii) gives certainty to the strategic direction and corporate actions that the Company and its subsidiaries propose to take as long as the Management garners the support of the majority shareholder;
 - (iii) avoids having the Management effectively supervising itself (which would often be the case in respect of companies with a dispersed shareholder base); and
 - (iv) enables the Company to, with the backing and support of the majority shareholder, raise funds more expediently for its future growth and expansion plans;
- (c) in the course of making the Partial Offer, the Offeror is obliged under the Code to provide, and would provide, further information on the direction and plans that it intends to pursue, allowing Shareholders who, for any reason, prefer to exit in exchange for cash through the Partial Offer, to do so and for Shareholders who believe in the direction and plans mapped out by the Offeror to continue as Shareholders;

- (d) due to the relative illiquidity of the Shares, the Partial Offer presents a good opportunity for Shareholders to realise part of their investment at a premium to the benchmark prices of the Offer Shares while retaining the balance of their equity interest in the Company, which will provide the option to continue to participate in the long-term growth of the Company under the guidance of the Offeror. Further, the ability of Shareholders to tender more than their respective Relevant Percentage (in fact, up to 100%) of their shareholdings in the Company pursuant to the Partial Offer potentially allows such Shareholders to dispose of 100% of their shareholdings in the event there are Relevant Shareholders who do not accept their full entitlement of their respective Relevant Percentage Offer Shares;
- (e) taking into account the future growth and expansion plans of the Company, the Offeror intends to retain some cash liquidity in order to be able to support the Company in the future should the need arise. Therefore, at this point, the Offeror's preference is not to commit the funds required to acquire 100% of the Company but nevertheless sees the value of strengthening its commitment to the Company by becoming a majority shareholder; and
- (f) the Partial Offer allows for the retention of the Company's listing status on the SGX-ST and such continued listing will further enable the Company to provide Shareholders with an ongoing interest in its future financial performance and to remain invested in the long term growth of the Company.

11. THE OFFEROR'S INTENTIONS FOR THE COMPANY

It is the intention of the Offeror to carry on and expand the existing business of the Company, and the Offeror presently has no intention to: (i) introduce any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of the business. However, the Offeror retains the flexibility at any time to consider any options in relation to the Company which may present themselves and which the Offeror may regard to be in the interest of the Company.

12. FINANCIAL ASPECTS OF THE PARTIAL OFFER

The Offer Price represents the following premium over the historical traded prices of the Shares:

Description	Historical Traded Price ⁽¹⁾ of the Shares (S\$) ⁽²⁾	Premium of Offer Price over the Historical Traded Price of the Shares (%) ⁽³⁾
Last traded price per Share on 28 February 2019, being the last full trading day on which the Shares were traded on the SGX-ST prior to the Announcement Date (the " Last Trading Date ")	0.450	11%
Volume weighted average price (" VWAP ") per Share for the one-month period up to and including the Last Trading Date	0.427	17%

VWAP per Share for the three-month period up to and including the Last Trading Date	0.423	18%
VWAP per Share for the six-month period up to and including the Last Trading Date	0.424	18%
VWAP per Share for the 12-month period up to and including the Last Trading Date	0.437	14%

Notes:-

- (1) Based on data extracted from Bloomberg L.P. on the Announcement Date.
- (2) Rounded to the nearest three decimal places.
- (3) Rounded to the nearest per cent.

13. DISCLOSURE OF HOLDINGS AND DEALINGS

13.1. Holdings of and Dealings in Relevant Securities. As at the Announcement Date, based on the latest information available to the Offeror and save as disclosed in **Appendix A** of this announcement, none of the Offeror Group owns, controls or has agreed to acquire any: (i) Shares; (ii) securities which carry voting rights in the Company; (iii) securities which are convertible into Shares or securities which carry voting rights in the Company; or (iv) rights to subscribe for, or options in respect of, such Shares or securities (the “**Relevant Securities**”) as at the Announcement Date. As at the Announcement Date, based on the latest information available to the Offeror, none of the Offeror Group has dealt for value in any Relevant Securities during the six-month period immediately preceding the Announcement Date.

13.2. Other Arrangements. As at the Announcement Date, based on the latest information available to the Offeror, none of the Offeror Group has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Relevant Securities or the securities of the Offeror which might be material to the Offer;
- (b) received any irrevocable commitment to accept the Offer in respect of any Relevant Securities;
- (c) granted any security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;
- (d) borrowed any Relevant Securities from any other person (excluding those which have been on-lent or sold); or
- (e) lent any Relevant Securities to any other person.

13.3. Confidentiality. 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 Partial Offer. For the same reason, W Capital has also not made enquiries in respect of certain parties who are or may be presumed to be acting in concert with W Capital

in connection with the Partial Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in the Offer Document.

14. CONFIRMATION OF FINANCIAL RESOURCES

W Capital confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Partial Offer.

15. OFFER DOCUMENT

Further information on the Partial Offer will be set out in the Offer Document. The Offer Document, which will contain the terms and conditions of the Partial Offer and enclose the appropriate form(s) of acceptance, will be despatched to holders of the Relevant Shares not earlier than 14 days and not later than 21 days from the Announcement Date. The Partial Offer will remain open for approval and acceptances by Relevant Shareholders for a period of at least 28 days from the date of posting of the Offer Document.

16. RESPONSIBILITY STATEMENT

The sole director of the Offeror (including where he has delegated detailed supervision of this announcement) 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 the sole director of the Offeror accepts responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources (including, without limitation, in relation to the Company), the sole responsibility of the sole director of the Offeror has been to ensure through reasonable enquiries that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

Issued by
W Capital Markets Pte. Ltd.

For and on behalf of
Prime Trade Enterprises Limited

4 March 2019

Forward-Looking Statements

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 "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast", "targets" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies 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 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 none of the Offeror and W Capital undertakes any obligation to update publicly or revise any forward-looking statements.

APPENDIX A

DETAILS OF SHARES HELD BY THE OFFEROR GROUP PRIOR TO THE RESTRUCTURING EXERCISE

Name	Direct Interest	
	Number of Shares	Shareholding Interest (%)
Offeror	19,226,278	14.6922%
Thakral Investments Limited	9,720,639	7.4282%
Preview Investments Limited	6,876,250	5.2546%
Market Watch Limited	3,250,000	2.4836%
TPL Investments Pte Ltd	493	0.0004%
Bikramjit Singh Thakral	8,900	0.0068%
Estate of Jasvinder Singh Thakral	100,000	0.0764%
Mr. Chennoth Divakara Prabhu Rajendran	500	0.0004%
Mr. Anil Moolchand Daryanani	5,500	0.0042%
Total	39,188,560	29.9468%

DETAILS OF SHARES HELD BY THE OFFEROR GROUP UPON COMPLETION OF THE RESTRUCTURING EXERCISE

Name	Direct Interest	
	Number of Shares	Shareholding Interest (%)
Offeror	39,182,560	29.9422%
Mr. Chennoth Divakara Prabhu Rajendran	500	0.0004%
Mr. Anil Moolchand Daryanani	5,500	0.0042%
Total	39,188,560	29.9468%

APPENDIX B

ORGANISATION CHART OF THE OFFEROR IMMEDIATELY ON COMPLETION OF THE RESTRUCTURING EXERCISE

