

GEMS TV HOLDINGS LIMITED
(Incorporated in the Cayman Islands)
(Company Registration Number 109716)
(the “**Company**”)

MOUNTING HOLDINGS LIMITED
(Incorporated in the British Virgin Islands)
(Company Registration Number 1025187)
(the “**Offeror**”)

JOINT ANNOUNCEMENT

PROPOSED EXIT OFFER AND DIRECTED DELISTING OF GEMS TV HOLDINGS LIMITED – DESPATCH OF EXIT OFFER LETTER AND ACCEPTANCE FORMS

1. INTRODUCTION

- 1.1. The Company and the Offeror refer to the joint announcements released on 8 April 2014, 14 April 2014 and 2 July 2014 (collectively, referred to as “**Joint Announcements**”). Unless otherwise defined, all capitalised terms used in this announcement herein shall bear the same meanings ascribed to them in the Joint Announcements.

2. DESPATCH OF EXIT OFFER LETTER AND ACCEPTANCE FORMS

- 2.1. The Offeror wishes to announce that the exit offer letter dated 11 July 2014 (the “**Exit Offer Letter**”) containing the terms and conditions of the Exit Offer has been despatched to the Shareholders today.
- 2.2. Included with the Exit Offer Letter are the following documents:
- (a) the letter from the Company to the Shareholders dated 11 July 2014 as set out in **Appendix B** to the Exit Offer Letter (the “**Company Letter to Shareholders**”);
 - (b) in the case of the Exit Offer Letter sent to Shareholders whose securities accounts with The Central Depository (Pte) Limited (“**CDP**”) are credited with the Offer Shares (“**Depositors**”), a Form of Acceptance and Authorisation (“**FAA**”);
 - (c) in the case of the Exit Offer Letter sent to Shareholders who hold the Offer Shares which are not deposited with CDP (“**in scrip form**”), a Form of Acceptance and Transfer (“**FAT**” and collectively with the FAA, the “**Acceptance Forms**”).
- 2.3. Shareholders are advised to read and consider the Exit Offer Letter carefully and in its entirety, including, but not limited to:
- (a) the recommendation of the Non-Interested Directors (as defined below) on the Exit Offer, as set out in the Company Letter to Shareholders; and
 - (b) the advice of Asian Corporate Advisors Pte. Ltd., the independent financial adviser to the directors of the Company considered independent for the purposes of making the recommendation to the Shareholders in relation to the Exit Offer, namely David Alan Rick, Ng Boon Yew and David Sim Cheok Leng (the “**Non-Interested Directors**”), as set out in **Appendix C** to the Exit Offer Letter (the “**IFA Letter**”).
- 2.4. **If any Shareholder is in doubt about the Exit Offer, they should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

3. COPIES OF THE EXIT OFFER LETTER AND ACCEPTANCE FORMS

- 3.1. Shareholders who do not receive the Exit Offer Letter and/or the relevant Acceptance Forms within a week from the date hereof or misplaces them may obtain a copy of the Exit Offer Letter and relevant Acceptance Forms from the Offeror c/o CDP (if they are Depositors) or Boardroom Corporate & Advisory Services Pte. Ltd. (if they hold Offer Shares in scrip form), as the case may be, immediately at the addresses set out below:

The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

- 3.2. Copies of the FAA may be obtained by Depositors from CDP upon the production of satisfactory evidence that they are Shareholders.
- 3.3. Copies of the FAT may be obtained by Shareholders who hold the Offer Shares in scrip form from Boardroom Corporate & Advisory Services Pte. Ltd. upon the production of satisfactory evidence that they are Shareholders.

4. PROCEDURES FOR ACCEPTANCE

- 4.1. Full details of the procedures for acceptance of the Exit Offer are set out in **Appendix A** of the Exit Offer Letter and the Acceptance Forms. Shareholders are advised to read them in their entirety.

5. SUMMARY OF THE EXIT OFFER

- 5.1. **Offer Price: S\$0.004039.** The Offer Price of **S\$0.004039** per Share is equivalent to the NTA per Share of the Company as at 31 March 2014. The Offer Price is **FINAL** and will not be revised.
- 5.2. **Minimum Acceptance Condition.** The Exit Offer is conditional upon the Offeror receiving acceptances in respect of voting rights which will result in the Offeror holding more than 50% of the voting rights of the Company. Shares held by the Offeror may count towards the 50% threshold. As at the Latest Practicable Date, the Offeror holds 231,438,440 Shares representing approximately 22.35% of the total number of issued Shares.
- 5.3. **Compulsory Acquisition.** The Offeror intends to exercise its rights of compulsory acquisition if it receives acceptances amounting to not less than 90% in value of the shares affected.
- 5.4. **Implications of Delisting.** Shareholders should note that following the Delisting,
- (i) if the Minimum Acceptance Condition is not met and all acceptances are returned; or
 - (ii) if they do not accept the Exit Offer but the Minimum Acceptance Condition is met (and the Offeror is unable to exercise its rights of compulsory acquisition under the Companies Law),

they will:

- (a) continue to hold Shares in the Company, which will then be an unlisted company incorporated and based in the Cayman Islands;
- (b) likely find it difficult to sell their Shares in the absence of a public market for the Shares, as there is no arrangement for such Shareholders to exit; and
- (c) (if such Shareholders are able to sell their Shares) likely receive a lower price as compared with the Offer Price or the market prices of the shares of comparable listed companies.

5.5. Shareholders who continue to hold the unlisted shares following the Delisting should note that (save as provided for in its Articles of Association) the Company being an exempt company under the Companies Law (Revised) of the Cayman Islands is not required by law to hold an AGM, prepare, make available or file its financial statements or appoint auditors.

5.6. **Recommendation of Non-Interested Directors.** The Company's Non-Interested Directors concur with the advice of the IFA in relation to the Exit Offer and recommend that Shareholders **ACCEPT** the Exit Offer.

5.7. **Full details of the terms and conditions of the Exit Offer are set out in the Exit Offer Letter and the Acceptance Forms. Shareholders are advised to read and consider them carefully and in their entirety.**

6. CLOSING DATE

6.1. The Exit Offer will be open for acceptance by Shareholders for a period of 28 days after the despatch of the Exit Offer Letter. Accordingly, the Exit Offer will close at 5.30 p.m. on 8 August 2014 or such later date(s) as may be announced from time to time by the Offeror (the "**Closing Date**").

6.2. Although no extension of the Exit Offer is currently contemplated, if the Exit Offer is extended, an announcement will be made of such extension, and the Exit Offer will remain open for acceptance for such period as may be announced, subject to the requirements of the Code. If the Exit Offer is extended, Shareholders who have validly accepted the Exit Offer in respect of part of their Offer Shares will be entitled to tender additional Offer Shares in acceptance of the Exit Offer.

7. OVERSEAS SHAREHOLDERS

7.1. This Joint Announcement and the Exit Offer Letter do 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 the Exit Offer Letter in any jurisdiction in contravention of the applicable laws. The Exit Offer will be made solely by the Exit Offer Letter and the Acceptance Forms accompanying the Exit Offer Letter, which will contain full terms and conditions of the Exit Offer, including details on how the Exit Offer may be accepted.

7.2. **Availability of Exit Offer.** The availability of the Exit Offer to Shareholders whose mailing addresses are outside Singapore, as shown on the register of members of the Company, as the case may be, in the records of CDP (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements, and exercise caution in relation to the Exit Offer, as the Exit Offer Letter and the

Acceptance Forms have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending the Exit Offer Letter, the Acceptance Forms and any other formal documentation relating to the Exit Offer to any overseas jurisdiction, the Offeror reserves the right not to send such documents to the Overseas Shareholders in such jurisdictions.** For the avoidance of doubt, the Exit Offer is open to all Shareholders holding Offer Shares, including those to whom the Exit Offer Letter and the Acceptance Forms have not been, or may not be, sent.

- 7.3. **Restricted Jurisdictions.** Copies of the Exit Offer Letter and the Acceptance Forms are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the law of that jurisdiction (the “**Restricted Jurisdiction**”) and the Exit Offer will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.
- 7.4. The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.
- 7.5. **Copies of the Exit Offer Letter.** Overseas Shareholders may, nonetheless, obtain copies of the Exit Offer Letter and the Acceptance Forms during normal business hours, from the date of the Exit Offer Letter and up to the Closing Date, from the Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 upon production of satisfactory evidence that they are Shareholders. Alternatively, an Overseas Shareholder may write to the Offeror through Boardroom Corporate & Advisory Services Pte. Ltd. at the address listed above to request for copies of the Exit Offer Letter and the Acceptance Forms to be sent to an address in Singapore by ordinary post at the Overseas Shareholder’s own risk (the last day for despatch in respect of such request shall be a date falling three (3) Market Days prior to the Closing Date).
- 7.6. **Responsibility of Overseas Shareholders.** It is the responsibility of any Overseas Shareholder who wishes to (a) request for copies of the Exit Offer Letter, the Acceptance Forms and any other related documents, and/or (b) accept the Exit Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Company, the Offeror, CDP and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Company, the Offeror, CDP and/or any person acting on its behalf may be required to pay. In (a) requesting for copies of the Exit Offer Letter, the Acceptance Forms and any other related documents and/or (b) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Company, the Offeror and CDP that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.

- 7.7. **Notice.** The Offeror reserves the right to reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction. The Company and the Offeror each reserves the right to notify any matter, including the despatch of the Exit Offer Letter, any formal documentation relating to the Exit Offer, and the fact that the Exit Offer has been made, to any or all Shareholders (including the Overseas Shareholders) by announcement to the SGX-ST and if necessary, paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

8. ENQUIRIES

- 8.1. Any enquiries relating to this Notice or the Offer should be directed during office hours to The Central Depository (Pte) Limited (if they are Depositors) or Boardroom Corporate & Advisory Services Pte. Ltd. (if they hold Offer Shares in scrip form) at the following:

General Enquiries
The Central Depository (Pte) Limited
Tel: (65) 6535 7511
Email: asksgx@sgx.com

General Enquiries
Boardroom Corporate & Advisory Services Pte. Ltd.
Tel: (65) 6536 5355
Email: marketing.sg@boardroomlimited.com

9. RESPONSIBILITY STATEMENT

- 9.1. The Offeror Director and Mr Jason Choo accept full responsibility for the accuracy of the information given in this Joint Announcement (other than those relating to the Company) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Joint Announcement constitutes full and true disclosure of all material facts about the Exit Offer, and the Offeror Director and Mr Jason Choo are not aware of any facts the omission of which would make any statement in this Joint Announcement (other than those relating to the Company) misleading. Where information in this Joint Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Offeror Director and Mr Jason Choo has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Joint Announcement in its proper form and context.
- 9.2. The Directors (including any director who may have delegated detailed supervision of this Announcement) collectively and individually accept full responsibility for the accuracy of the information given in this Joint Announcement (other than those relating to the Offeror) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Joint Announcement constitutes full and true disclosure of all material facts about the Exit Offer, and the Directors are not aware of any facts the omission of which would make any statement in this Joint Announcement (other than those relating to the Offeror) misleading. Where information in this Joint Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Joint Announcement in its proper form and context.

By Order of the Board

Cho Form Po
Company Secretary
Gems TV Holdings Limited
11 July 2014

Dizame Consulting S.A.
Director
Mounting Holdings Limited
11 July 2014