

VOLUNTARY CONDITIONAL CASH OFFER

by



DBS BANK LTD.

(Company Registration No.: 196800306E)
(Incorporated in the Republic of Singapore)

for and on behalf of

MERIT STAND INC.

(Company Registration No.: 1898555)
(Incorporated in the British Virgin Islands)

to acquire all the issued and paid-up ordinary shares in the share capital of



XINREN ALUMINUM HOLDINGS LIMITED

(Company Registration No.: 200612545H)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Merit Stand Inc.

OFFER ANNOUNCEMENT

1. INTRODUCTION

DBS Bank Ltd. ("**DBS Bank**") wishes to announce, for and on behalf of Merit Stand Inc. (the "**Offeror**"), that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares ("**Shares**") in the share capital of XinRen Aluminum Holdings Limited (the "**Company**"), other than those Shares owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer (the "**Offer Shares**").

2. THE OFFER

- 2.1 In accordance with Rule 15 of The Singapore Code on Take-overs and Mergers (the "**Code**"), and subject to the terms and conditions set out in the formal offer document (the "**Offer Document**") to be issued by DBS Bank, for and on behalf of the Offeror, the Offeror will make the Offer for the Offer Shares on the following basis:

For each Offer Share: S\$0.60 in cash (the "Offer Price**").**

- 2.2 The Offer Shares are to be acquired (a) fully paid-up; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever; and (c) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement (the "**Offer Announcement Date**") and hereafter attaching thereto (including the right to receive and retain all dividends, rights, other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date).

If any dividend, right, other distribution or return of capital is announced, declared, paid or made by the Company on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price payable by an amount equivalent to such dividend, right, other distribution or return of capital paid or made by the Company to such shareholders of the Company ("Shareholders**") who accept or have accepted the Offer.**

2.3 **Conditional Offer**

The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror before or during the Offer, will result in the Offeror holding **not less than 90%** of the total number of issued Shares¹ as at the date of the Offer (the "**Acceptance Condition**").

The Offeror reserves the right to reduce the Acceptance Condition to a lower minimum acceptance level, provided that such revision may only be made after obtaining the consent of the Securities Industry Council of Singapore ("**SIC**"). In the event that the Acceptance Condition is revised, the revised Offer shall remain open for another 14 days following such revision and Shareholders who have accepted the Offer will be permitted to withdraw their acceptances within eight (8) days of notification of such revision.

- 2.4 Further information on the Offer and the terms and conditions upon which the Offer will be made shall be set out in the Offer Document to be issued by DBS Bank for and on behalf of the Offeror.

3. NO CONVERTIBLE BOND OFFER

- 3.1 As at the Offer Announcement Date, based on the latest information available to the Offeror, the Company has issued convertible bonds in the principal amount of US\$250 million which are due in 2020 (the "**Convertible Bonds**"). The Convertible Bonds are convertible into new Shares at the initial conversion price of S\$1.01 per new Share.
- 3.2 Pursuant to Rule 19 of the Code, an appropriate offer must be made for the Convertible Bonds and such offer will be conditional upon the Offer becoming or being declared unconditional in all respects (the "**Convertible Bond Offer**").
- 3.3 Pursuant to the CB Irrevocable Undertaking (as defined in paragraph 6.2 below), the holders of all the Convertible Bonds ("**CB Holders**") have agreed and undertaken to, *inter alia*, waive the Offeror's obligation to make the Convertible Bond Offer. The SIC has given its approval to waive the Offeror's obligation to make the Convertible Bond Offer in accordance with Rule 19

¹ In this Announcement, unless otherwise stated, all references to the total number of issued Shares shall be to 1,303,567,528 Shares (excluding 6,980,000 treasury Shares), based on the results of the electronic instant information search of the Company dated 25 February 2016 obtained from the Accounting and Corporate Regulatory Authority of Singapore.

of the Code. Accordingly, the Offeror will not make the Convertible Bond Offer to acquire the Convertible Bonds.

- 3.4 Further information on the CB Irrevocable Undertaking is set out in paragraph 6.2 below.

4. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

- 4.1 The Offeror is an investment holding company incorporated in the British Virgin Islands. As at the Offer Announcement Date, the Offeror has an issued and paid-up capital of US\$1.00, consisting of 10,000 shares, held by the following seven (7) individuals (collectively, the "**Offeror Shareholders**") in the following shareholding proportion:

Offeror Shareholders	Shareholding Percentage (%)
Mr. Zeng Chaoyi	43.94
Mr. Zeng Chaolin	42.87
Mdm. Deng Eying	4.01
Ms. Zeng Hong	2.89
Ms. Zeng Mingliu	2.65
Ms. Zeng Yiliu	2.45
Mr. Zeng Xiaoqiao	1.19
Total	100.00

- 4.2 The board of directors of the Offeror comprises each of the Offeror Shareholders and Mr. Liang Hongbo.

Each of Mr. Zeng Chaolin, Mr. Liang Hongbo, Ms. Zeng Mingliu and Mr. Zeng Xiaoqiao is an executive director of the Company.

- 4.3 Mr. Zeng Chaoyi is the sole shareholder of Sunshine International Global Capital Ltd ("**SIGC**"), a major Shareholder which holds 432,401,161 Shares as at the Offer Announcement Date, representing approximately 33.17% of the total number of issued Shares. Mr. Zeng Chaoyi is the sole director of SIGC.

Mr. Zeng Chaolin is the sole shareholder of Jiakai International Ltd ("**JIL**"), a major Shareholder which holds 421,874,516 Shares as at the Offer Announcement Date, representing approximately 32.36% of the total number of issued Shares. Mr. Zeng Chaolin is the sole director of JIL.

Mdm. Deng Eying is the sole shareholder of Shunqi International Ltd ("**SIL**") which holds 39,441,581 Shares as at the Offer Announcement Date, representing approximately 3.03% of the total number of issued Shares. Mdm. Deng Eying is the sole director of SIL.

Ms. Zeng Hong is the sole shareholder of Yansheng Ltd ("**YL**") which holds 28,473,839 Shares as at the Offer Announcement Date, representing approximately 2.18% of the total number of issued Shares. Ms. Zeng Hong is the sole director of YL.

Ms. Zeng Mingliu is the sole shareholder of Jintudi Group Ltd ("**JGL**") which holds 26,044,290 Shares as at the Offer Announcement Date, representing approximately 2.00% of the total number of issued Shares. Ms. Zeng Mingliu is the sole director of JGL.

Ms. Zeng Yiliu is the sole shareholder of Xijin Ltd ("**XL**") which holds 24,119,000 Shares as at the Offer Announcement Date, representing approximately 1.85% of the total number of issued Shares. Ms. Zeng Yiliu is the sole director of XL.

Mr. Zeng Xiaoqiao is the sole shareholder of Hanwen International Group Ltd ("**HIGL**") which holds 11,742,645 Shares as at the Offer Announcement Date, representing approximately 0.90% of the total number of issued Shares. Mr. Zeng Xiaoqiao is the sole director of HIGL.

5. INFORMATION ON THE COMPANY

- 5.1 Based on publicly available information, the Company was incorporated under the laws of Singapore on 29 August 2006 and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 27 October 2010 and is principally engaged in (a) the smelting and sale of primary aluminium in the form of ingots and plates; (b) the fabrication of primary aluminium into and sale of value-added products such as aluminium sheets, coils and foils; and (c) trading in alumina and primary aluminium products sourced from third parties. The Company operates two (2) primary aluminium smelting plants in Shihezi City, Xinjiang Uyghur Autonomous Region and Liupanshui City, Guizhou Province, and one (1) aluminium fabrication plant in Jiangyin City, Jiangsu Province, in the People's Republic of China.
- 5.2 As at the Offer Announcement Date, based on publicly available information, the issued and paid-up share capital of the Company comprises 1,303,567,528 Shares (excluding 6,980,000 treasury Shares).

6. THE UNDERTAKINGS

6.1 Zeng Family Irrevocable Undertakings

- (a) Each of Mr. Zeng Chaoyi, Mr. Zeng Chaolin, Mdm. Deng Eying, Ms. Zeng Hong, Ms. Zeng Mingliu, Ms. Zeng Yiliu and Mr. Zeng Xiaoqiao (collectively, the "**Zeng Family**") has executed an irrevocable undertaking dated 25 February 2016 (each, a "**Zeng Family Irrevocable Undertaking**" and collectively, the "**Zeng Family Irrevocable Undertakings**") in favour of the Offeror, pursuant to which each of them has agreed and undertaken to, *inter alia*, (i) accept, or procure the acceptance of, the Offer in respect of all the Shares held by him or her (whether directly, or indirectly through his or her nominee, trustee or other designated person holding such Shares on his or her behalf (the "**Nominee**")); (ii) subscribe for shares in the Offeror (the "**Subscription**"); and (iii) set-off the total consideration that such Zeng Family member (and/or his or her Nominee) would receive pursuant to the acceptances of the Offer against the subscription amount payable by such Zeng Family member in respect of the Subscription (such arrangements between the Zeng Family and the Offeror, the "**Zeng Family Arrangements**").
- (b) Each of the Zeng Family Irrevocable Undertakings will terminate, lapse and cease to have any effect, on the date the Offer is withdrawn or lapses or fails to become unconditional in all respects for whatever reason other than as a result of a breach by the relevant member of the Zeng Family of any of his or her obligations under his or her Zeng Family Irrevocable Undertaking.

- (c) The SIC has confirmed that the Zeng Family Arrangements do not constitute special deals for the purpose of Rule 10 of the Code.

As at the Offer Announcement Date, the Zeng Family holds (whether directly, or indirectly through their respective Nominees) in aggregate 984,097,032 Shares, representing approximately 75.49% of the total number of issued Shares.

6.2 CB Irrevocable Undertaking

Each of Clear Marvel Limited 湛奇有限公司, Lotus Pacific Investment Holding Limited, Victory Access Enterprise Ltd. and Southwest Securities International Securities Limited, being the CB Holders holding 100% of the Convertible Bonds, and Madison Pacific Trust Limited, being the trustee of the trust deed dated 20 August 2015 (as amended) in connection with the Convertible Bonds (the "**Trust Deed**") has, collectively executed an irrevocable undertaking dated 25 February 2016 (the "**CB Irrevocable Undertaking**") in favour of the Offeror pursuant to which each of them has agreed and undertaken, *inter alia*, that, for so long as the Offer Price (or any increased Offer Price) does not exceed the prevailing conversion price of the Convertible Bonds:

- (a) it will waive the obligation of the Offeror (whether under the Code, the Trust Deed or otherwise) to make the Convertible Bond Offer in respect of all the Convertible Bonds held or owned by it. If the Offeror is required to make the Convertible Bond Offer (whether pursuant to the Code or otherwise), such CB Holder will not accept the Convertible Bond Offer in respect of the whole or any part of the Convertible Bonds held or owned by it during the Relevant Period (as defined below);
- (b) it will not convert the whole or any part of the Convertible Bonds held or owned by it into Shares during the Relevant Period; and
- (c) if a CB Holder desires to transfer the whole or any part of the Convertible Bonds held or owned by it ("**Sale Interest**") during the Relevant Period, such CB Holder will procure that the transferee of such Sale Interest executes, and delivers to the Offeror, an undertaking (substantially in form and substance similar to the CB Irrevocable Undertaking) before completing the transfer of the Sale Interest. Any purported transfer of Sale Interest during the Relevant Period which does not comply with the foregoing will be void.

For the purposes of this paragraph 6.2:

"**Compulsory Acquisition**" means the compulsory acquisition of the Offer Shares by the Offeror under Section 215(1) or Section 215(3) of the Companies Act (Chapter 50 of Singapore) pursuant to the Offer;

"**Extended Relevant Period**" means the period extending the Original Relevant Period and commencing from the final day of the Original Relevant Period and ending on (including such date) the later of:

- (i) if the Offeror is bound by the Compulsory Acquisition, the earlier of: (A) the date of completion of the Compulsory Acquisition; and (B) the date falling six (6) months from the date of despatch of the Offer Document (the "**Offer Document Despatch Date**"); or
- (ii) such new date as may be notified in writing by the CB Holders;

"**Original Relevant Period**" means the period commencing from the date of the CB Irrevocable Undertaking and ending (including such date) on the earliest of, *inter alia*:

- (i) if the Offer Document is not despatched within 21 days from the Offer Announcement Date, the market day immediately after such period;
- (ii) the date the Offer is withdrawn or lapses;
- (iii) depending on the acceptance level and taken together with the Shares owned, controlled or agreed to be acquired by the Offeror before or during the Offer, the date falling 60 days or 90 days after the Offer Document Despatch Date; and
- (iv) the date the Offeror becomes bound by the Compulsory Acquisition; and

"Relevant Period" means the Original Relevant Period and, if applicable, together with the Extended Relevant Period.

- 6.3 Save for the Zeng Family Irrevocable Undertakings and the CB Irrevocable Undertaking, as at the Offer Announcement Date, neither the Offeror nor any party acting in concert with the Offeror has received any irrevocable undertakings from any other party to accept or reject the Offer.

7. **RATIONALE FOR THE OFFER**

7.1 **Low Trading Liquidity of Shares**

The trading volume of the Shares has been low, with an average daily trading volume of approximately 59,775 Shares, 42,479 Shares and 39,161 Shares during the one (1)-month period, three (3)-month period and 12-month period up to and including 22 February 2016 (the "**Last Relevant Trading Day**"), being the last full Market Day² prior to the significant increase in Share price³ and volume⁴ on 23 February 2016. Each of these represents less than 0.005% of the total number of issued Shares for any of the aforementioned relevant periods.

The Offer therefore provides Shareholders with a unique cash exit opportunity for Shareholders to realise their entire investment at a premium to the prevailing market prices of the Shares, an option which may not otherwise be readily available due to the low trading liquidity of the Shares.

7.2 **Offer Price at a Significant Premium to the Historical Prices**

The Offer Price represents a premium of approximately 66.7% over the last transacted price per Share of S\$0.360 (the "**Last Relevant Share Price**") on the Last Relevant Trading Day.

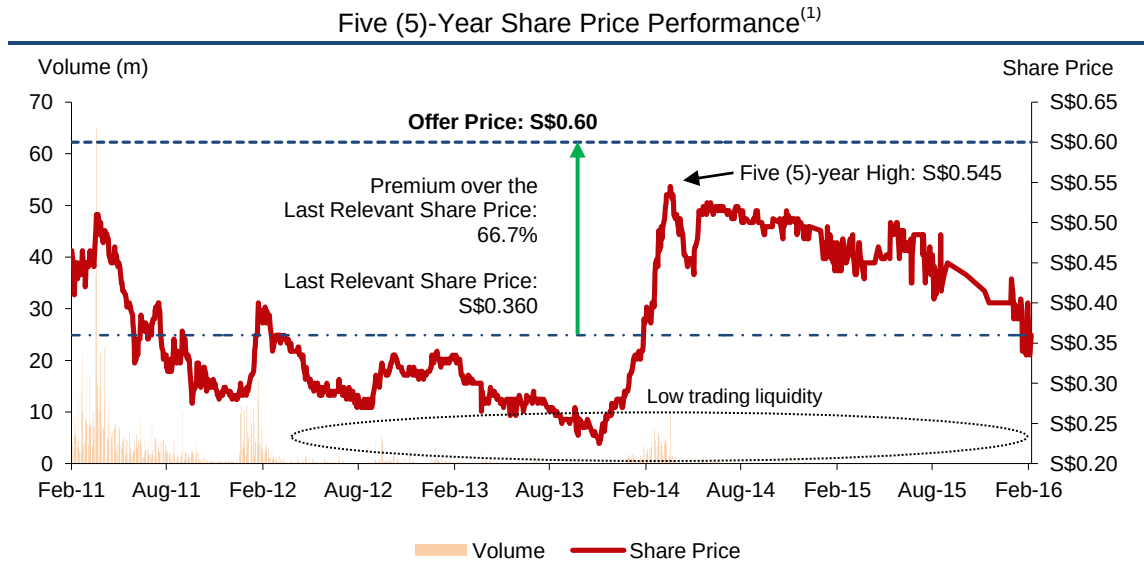
When compared to the benchmark prices of the Shares up to and including the Last Relevant Trading Day, the Offer Price also represents a premium of approximately 63.9%, 63.5%, 57.9% and 35.7% over the volume weighted average price ("**VWAP**") per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods, respectively.

² A day on which the SGX-ST is open for the trading of securities.

³ The highest traded price and the closing price on 23 February 2016 was S\$0.440 and S\$0.420 respectively, being 22.2% and 16.7% higher than the closing price of S\$0.360 on the Last Relevant Trading Day, and 20.2% and 14.8% higher than the VWAP of the Shares for the one (1)-month period prior to and including the Last Relevant Trading Day of S\$0.366.

⁴ Volume traded on 23 February 2016 was 453,900 Shares, representing 11.6 times the average daily trading volume of 39,161 Shares during the 12-month period up to and including the Last Relevant Trading Day.

In addition, the Offer Price exceeds the five (5)-year highest closing price and would allow Shareholders to attain a more favourable exit as compared to their entry price in the past five (5) years.



Notes:

- (1) Closing share price of the Company over the five (5)-year period prior to and including the Last Relevant Trading Day.
- (2) The figures set out in the chart above are based on data extracted from Bloomberg L.P. on 24 February 2016.

The Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment in Shares at a significant premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs. This opportunity may not be readily available in the absence of the Offer, given the historical share price performance and low trading liquidity of the Shares.

7.3 Greater Management Flexibility

The Offeror is making the Offer with a view to delisting the Company from the SGX-ST and exercising any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"). The Offeror believes that privatising the Company will give the Offeror and the management of the Company more flexibility to manage the business of the Company, optimise the use of its management and capital resources and facilitate the implementation of any operational change.

7.4 Compliance Costs of Maintaining Listing

In maintaining its listed status, the Company incurs compliance and associated costs. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.

8. **FINANCIAL EVALUATION OF THE OFFER**

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

	Description	Share Price (S\$) ⁽¹⁾	Premium over Share Price ⁽²⁾ (%)
(a)	Last Relevant Share Price	0.360	66.7
(b)	VWAP of the Shares traded on the SGX-ST for the one (1)-month period prior to and including the Last Relevant Trading Day	0.366	63.9
(c)	VWAP of the Shares traded on the SGX-ST for the three (3)-month period prior to and including the Last Relevant Trading Day	0.367	63.5
(d)	VWAP of the Shares traded on the SGX-ST for the six (6)-month period prior to and including the Last Relevant Trading Day	0.380	57.9
(e)	VWAP of the Shares traded on the SGX-ST for the 12-month period prior to and including the Last Relevant Trading Day	0.442	35.7
(f)	Highest closing price for the Shares in five (5) years up to and including the Last Relevant Trading Day	0.545	10.1

Notes:

- (1) The figures set out in the table above are based on data extracted from Bloomberg L.P. on 24 February 2016.
- (2) Computed based on the share prices which were rounded to the nearest three (3) decimal places.

9. **LISTING STATUS AND COMPULSORY ACQUISITION**

9.1 **Listing Status**

Pursuant to Rule 1105 of the listing manual of the SGX-ST (the "**Listing Manual**"), upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and parties acting in concert with it to above 90% of the total number of Shares in issue (excluding treasury Shares), the SGX-ST may suspend the trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of Shares in issue (excluding any treasury Shares) are held by at least 500 Shareholders who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares in issue (excluding treasury Shares), thus causing the percentage of the

total number of Shares in issue (excluding treasury Shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

9.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of issued Shares as at the date of the Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding, for the avoidance of doubt, any treasury Shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from Shareholders who have not accepted the Offer at a price equal to the Offer Price.

Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. **Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.**

9.3 Offeror's Intentions

The Offeror intends to make the Company its wholly owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps for the public float to be restored and/or for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, *inter alia*, less than 10% of the total number of Shares in issue (excluding treasury Shares) are held in public hands. In addition, the Offeror also reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.

10. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

10.1 As at the Offer Announcement Date, (a) the Offeror and its directors; and (b) DBS Bank (collectively, the "**Relevant Persons**") collectively own, control or have agreed to acquire an aggregate of 984,097,032 Shares, representing approximately 75.49% of the total number of issued Shares.

10.2 Save as disclosed in this Announcement, as at the Offer Announcement Date, none of the Relevant Persons:

(a) owns, controls or has agreed to acquire any:

(i) Shares;

(ii) securities which carry voting rights in the Company; or

(iii) convertible securities, warrants, options or derivatives in respect of such Shares or securities,

(collectively, the "**Company Securities**");

(b) has received any irrevocable undertaking from any party to accept or reject the Offer; or

- (c) has:
- (i) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise;
 - (ii) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold); or
 - (iii) lent any Company Securities to another person.

10.3 In the interest of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with it in connection with the Offer. Further enquiries will be made of such persons by the Offeror and the relevant disclosures, if any, will be made in the Offer Document. For the same reason, DBS Bank will be making the necessary enquiries in respect of the members of the DBS Group Holdings Ltd subsequent to this Announcement and the relevant disclosures, if any, will be made in the Offer Document.

11. 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 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 Offer, including details of how the Offer may be accepted. **For the avoidance of doubt, the Offer shall be open to all Shareholders holding Shares, 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.

Copies of this Announcement and any formal documentation relating to the Offer 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 Offer would violate the law of that jurisdiction (a "**Restricted Jurisdiction**") and 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.

The 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 other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

The ability of Shareholders who are not resident in Singapore to accept the Offer may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in Singapore should inform themselves of, and observe, any applicable requirements.

The Offeror and DBS Bank each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders who are not resident in Singapore by announcement to the SGX-ST or notice and if necessary, by 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, notice or advertisement.

12. CONFIRMATION OF FINANCIAL RESOURCES

DBS Bank, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares on the basis of the Offer Price (excluding the consideration payable for the Shares to be tendered by the Zeng Family (and/or their respective Nominees) in acceptance of the Offer pursuant to the Zeng Family Irrevocable Undertakings which are subject to the set-off arrangements referred to in paragraph 6.1(a) above).

13. OFFER DOCUMENT

The Offer Document setting out the terms and conditions of the Offer and enclosing the relevant form(s) of acceptance will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Offer Announcement Date.

Shareholders should exercise caution and seek appropriate independent professional advice when dealing in the Shares.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Offeror (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 opinions expressed in this Announcement (excluding information relating to the Company or any opinion expressed by the Company) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

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 has been to ensure, through reasonable enquiries, that 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 jointly and severally accept responsibility accordingly.

Issued by
DBS BANK LTD.

For and on behalf of
MERIT STAND INC.

25 February 2016

Any inquiries relating to this Announcement or the Offer should be directed during office hours to:

**DBS Bank Ltd.
Strategic Advisory**

Tel: (65) 6878 1989

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 "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" 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 neither the Offeror nor DBS Bank undertakes any obligation to update publicly or revise any forward-looking statements.