

VOLUNTARY UNCONDITIONAL GENERAL OFFER

By



CLSA SINGAPORE PTE LTD
(Company Registration No.: 198703750W)
(Incorporated in the Republic of Singapore)

and



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

for and on behalf of

YHT VENTURE PTE. LTD.
(Company Registration No.: 202039108M)
(Incorporated in the Republic of Singapore)

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

HI-P INTERNATIONAL LIMITED
(Company Registration No.: 198004817H)
(Incorporated in the Republic of Singapore)

OFFER ANNOUNCEMENT

1. INTRODUCTION

CLSA Singapore Pte Ltd ("**CLSA**") and DBS Bank Ltd. ("**DBS Bank**", and together with CLSA, collectively, the "**Joint Financial Advisers**") wish to announce, for and on behalf of YHT Venture Pte. Ltd. (the "**Offeror**"), that the Offeror intends to make a voluntary unconditional general offer (the "**Offer**") in accordance with Rule 15 of The Singapore Code on Take-overs and Mergers (the "**Code**") for all the issued and paid-up ordinary shares ("**Shares**") in the capital of Hi-P International Limited (the "**Company**"), other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer ("**Offer Shares**").

2. THE OFFER

2.1 Offer Terms

In accordance with Rule 15 of the Code, and subject to the terms and conditions set out in the formal offer document to be issued by the Joint Financial Advisers for and on behalf of the

Offeror (the "**Offer Document**"), the Offeror will make the Offer for the Offer Shares on the following basis:

For each Offer Share: S\$2.00 in cash (the "Offer Price**")**

The Offer Price is final and the Offeror does not intend to revise the Offer Price.¹

2.2 **No Encumbrances**

The Offer Shares will be acquired:

- (a) fully paid;
- (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 and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon (the "**Distributions**") by the Company on or after the Offer Announcement Date).

2.3 **Adjustment for Distributions**

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 Distribution that may be declared, paid or made by the Company on or after the Offer 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 Offer Announcement Date, the Offer Price payable to a shareholder of the Company ("**Shareholder**") who validly accepts or has validly accepted the Offer 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:

- (a) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the "**Books Closure Date**"), the Offer Price for each Offer Share shall be S\$2.00, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or
- (b) 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 Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

¹ Save that the Offeror reserves the right to do so in accordance with the Code if a competitive situation arises.

2.4 New Shares

The Offer will be extended, on the same terms and conditions, to:

- (a) all new Shares unconditionally issued or to be issued pursuant to the valid exercise of any options ("**Options**") to subscribe for new Shares granted under the Hi-P Employee Share Option Scheme 2003 which was approved by the Shareholders on 7 October 2003 and the Hi-P Employee Share Option Scheme 2014 which was approved by the Shareholders on 29 April 2014 (collectively, the "**Share Option Schemes**"), prior to the close of the Offer; and
- (b) all new Shares unconditionally issued or to be issued pursuant to the valid vesting or release of any awards ("**Awards**") for new Shares granted under the Hi-P Employee Share Award Scheme 2018 which was approved by Shareholders on 20 April 2018 (the "**Share Award Scheme**"), prior to the close of the Offer.

For the purpose of the Offer, the expression "**Offer Shares**" shall include the aforesaid Shares.

2.5 Unconditional Offer

The Offer will be unconditional in all respects.

2.6 Date of Settlement for the Offer

Shareholders who accept the Offer can expect to receive payment of the Offer Price within seven (7) business days of the date of receipt of their valid acceptances by the Offeror.

2.7 Further Information

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.

3. OPTIONS PROPOSAL

- 3.1 As at the Offer Announcement Date and based on the latest information available to the Offeror, Options to subscribe for an aggregate of 13,349,401 Shares remain outstanding under the Share Option Schemes, representing approximately 1.63% of the maximum potential issued share capital of the Company. For the purposes of this Announcement, the "**maximum potential issued share capital of the Company**" means the total number of Shares which will be in issue had all the outstanding Options been validly exercised and all Awards been validly vested or released as at the date of such declaration².

² Unless otherwise stated, in this Announcement, "**maximum potential issued share capital of the Company**" means 818,587,933 Shares. This does not include the new Shares which may be issued pursuant to the exercise by Mr Yao (as defined below) and Madam Wong (as defined below) of their respective Options (as described in paragraphs 5.3 and 5.4 of this Announcement) which they have, in their Irrevocable Undertakings (as defined below), undertaken to the Offeror not to exercise into new Shares.

3.2 Under the rules of the Share Option Schemes, the Options are not transferable by the holders thereof (the "**Option Holders**"). In view of this restriction, the Joint Financial Advisers, for and on behalf of the Offeror, will not make an offer to acquire the Options. Instead, the Joint Financial Advisers will, for and on behalf of the Offeror, make a proposal (the "**Options Proposal**") to the Option Holders, subject to the relevant Options continuing to be exercisable into new Shares, to pay to such Option Holders a cash amount (determined as provided below) (the "**Option Price**") in consideration of the Option Holders agreeing:

- (a) not to exercise all or any of their Options into new Shares; and
- (b) not to exercise any of their rights as Option Holders,

in each case from the date of their acceptance of the Options Proposal to the respective dates of expiry of such Options. Further, Option Holders who have accepted the Options Proposal will be required to surrender their relevant Options for cancellation. If the Offer is withdrawn or if the relevant Options cease to be exercisable into new Shares, the Options Proposal will lapse accordingly. For the avoidance of doubt, as mentioned in paragraph 2.4(a) of this Announcement, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid exercise of Options prior to the close of the Offer.

3.3 The Option Price will be calculated on a "see-through" basis, that is, the Option Price in relation to any Option is the amount of the excess of the Offer Price over the exercise price of that Option. Where the exercise price of an Option is equal to or higher than the Offer Price, the Option Price for each Option will be fixed at a nominal amount of S\$0.001.

3.4 For the avoidance of doubt, the Offer and the Options Proposal are separate and mutually exclusive. The Options Proposal does not form part of the Offer, and *vice versa*. Without prejudice to the foregoing, if Option Holders exercise their Options in order to accept the Offer in respect of the new Shares to be issued pursuant to such exercise, they may not accept the Options Proposal in respect of such Options. Conversely, if Option Holders wish to accept the Options Proposal in respect of their Options, they may not exercise those Options in order to accept the Offer in respect of the new Shares to be issued pursuant to such exercise.

3.5 Details of the Options Proposal will be despatched to the Option Holders no later than the date of despatch of the Offer Document.

4. NO AWARDS OFFER

As at the Offer Announcement Date and based on the latest information available to the Offeror, there are 2,638,995 outstanding Awards granted under the Share Award Scheme representing approximately 0.32% of the maximum potential issued share capital of the Company. Under the rules of the Share Award Scheme, the Awards are not transferable by the holders thereof. In view of this restriction, the Joint Financial Advisers, for an on behalf of the Offeror, will not make an offer to acquire the Awards. For the avoidance of doubt, as mentioned in paragraph

2.4(b) of this Announcement, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid vesting or release of Awards prior to the close of the Offer.

5. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

- 5.1 The Offeror is an investment holding vehicle incorporated in Singapore on 2 December 2020. As at the Offer Announcement Date, the Offeror has an issued and paid-up capital of S\$1 comprising one (1) ordinary share.
- 5.2 As at the Offer Announcement Date, the Offeror is 100% held by Yao Hsiao Tung ("**Mr Yao**"), and the directors of the Offeror are Mr Yao and Wong Huey Fang ("**Madam Wong**"). Madam Wong is the spouse of Mr Yao.
- 5.3 As at the Offer Announcement Date, Mr Yao holds 673,496,144 Shares, representing approximately 83.41% of the total number of Shares³ and approximately 82.28% of the maximum potential issued share capital of the Company. Mr Yao is also the holder of Options to subscribe for an aggregate of 4,360,382 Shares.
- 5.4 As at the Offer Announcement Date, Madam Wong holds 737,982 Shares, representing approximately 0.09% of both the total number of Shares and the maximum potential issued share capital of the Company. Madam Wong is also the holder of Options to subscribe for an aggregate of 507,816 Shares.

6. INFORMATION ON THE COMPANY

- 6.1 Based on publicly available information, the Company was incorporated in Singapore on 26 December 1980 and is listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The principal activities of the Company and its subsidiaries are those relating to integrated contract manufacturing.
- 6.2 As at the Offer Announcement Date, based on publicly available information:
- (a) the issued and paid-up share capital of the Company comprises 807,467,735 Shares (excluding shares held in treasury);
 - (b) the Company has 79,707,265 shares held in treasury; and
 - (c) the board of directors of the Company consists of Mr Yao, Madam Wong, Mr Gerald Lim Thien Su, Mr Yeo Tiong Eng, Mr Chester Lin Chien, Madam Leong Lai Peng, Mr Seow Choke Meng and Mr Ho Kheong Chun Peter.

³ Unless otherwise stated, references in this Announcement to the total number of Shares shall be to 807,467,735 Shares (excluding treasury shares).

7. IRREVOCABLE UNDERTAKINGS

7.1 As at the Offer Announcement Date, Mr Yao and Madam Wong have each provided an irrevocable undertaking (collectively, the "**Irrevocable Undertakings**") in favour of the Offeror in respect of all the Shares he/she holds and all the Shares he/she may acquire (whether directly or indirectly).

7.2 Pursuant to the terms of their respective Irrevocable Undertakings, each of Mr Yao and Madam Wong undertook, *inter alia*, the following:

- (a) to accept the Offer in respect of all his/her Shares as at the date of the Irrevocable Undertakings (the "**Undertaking Shares**"), which represent approximately 83.41% and 0.09% of the total number of Shares respectively, and any Shares which he/she may, directly or indirectly, acquire on or after the date of the Irrevocable Undertakings;
- (b) not to transfer or otherwise dispose of any Shares held by him/her during the period commencing from the date of the Irrevocable Undertakings and ending on the closing date of the Offer (as may be extended from time to time by or on behalf of the Offeror), other than in accordance with the terms of their respective Irrevocable Undertakings;
- (c) not to exercise all or any Options held by him/her as at the date of the Irrevocable Undertakings and which may be granted to him/her after the date of the Irrevocable Undertakings (collectively, the "**Undertaking Options**"), and not to accept the Options Proposal in respect of the Undertaking Options. In the event that the Offeror does not become entitled to exercise its right of Compulsory Acquisition (as defined below) by the close of the Offer, the foregoing undertaking shall be in respect of the period prior to and up to the close of the Offer. In the event that the Offeror exercises its right of Compulsory Acquisition, the foregoing undertaking shall be in respect of the period prior to and up to the completion of the Compulsory Acquisition; and
- (d) to direct that the aggregate Offer Price payable (the "**Reinvestment Amount**") to:
 - (i) Mr Yao in respect of his Undertaking Shares; and
 - (ii) Madam Wong in respect of her Undertaking Shares,

be applied to subscribe for new shares in the capital of the Offeror (each, an "**Offeror Share**"), on the basis that the issue price per new Offeror Share will be equivalent to the Offer Price (the "**Reinvestment**").

For the avoidance of doubt, acceptances of the Offer by Mr Yao and Madam Wong in respect of Shares which he/she may directly or indirectly (through a vehicle controlled by either or both of them) acquire after the date of the Irrevocable Undertakings will be satisfied by the Offeror by payment of the Offer Price in cash in accordance with Rule 30 of the Code.

7.3 The Irrevocable Undertakings shall expire: (a) in the event that the Offeror does not become entitled to exercise its right of Compulsory Acquisition by the close of the Offer, upon the close

or withdrawal of the Offer; or (b) in the event that the Offeror exercises its right of Compulsory Acquisition, upon the completion of the Compulsory Acquisition.

- 7.4 Pursuant to an application made by the Offeror to the Securities Industry Council of Singapore ("**SIC**") to seek certain rulings in relation to the Offer, SIC has confirmed that the Reinvestment is not a prohibited special deal within the meaning of Rule 10 of the Code.

8. RATIONALE FOR THE OFFER

8.1 Opportunity for Shareholders to Realise their Entire Investment in Cash at a Compelling Price and Favourable Valuation Without Incurring Brokerage Costs

The prevailing economic environment is uncertain due to the ongoing COVID-19 pandemic. The Offer represents an opportunity for Shareholders to realise their investment in the Shares at a premium to historical market prices:

- (a) The Offer Price is at a significant premium to the NAV per Share and prevailing Share prices over the last 12 months

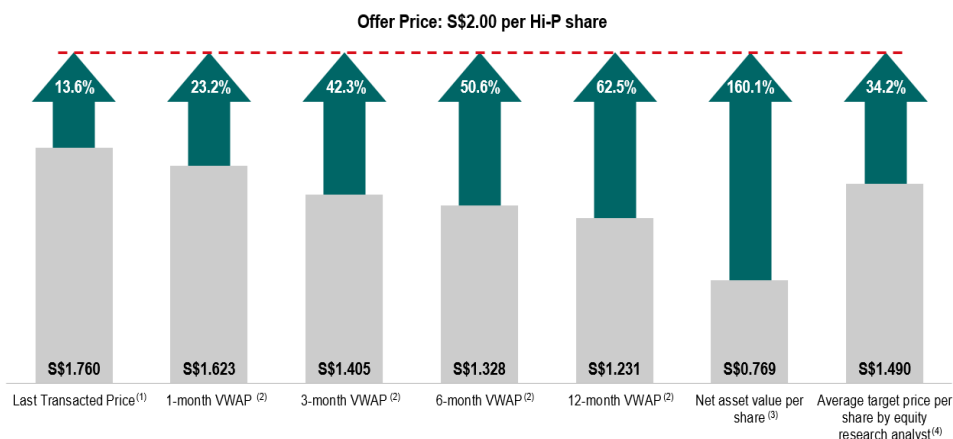
The Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment at a significant premium over the prevailing benchmark prices of the Shares without incurring brokerage and other trading costs.

The Offer Price represents a premium of approximately:

- (i) 160.1% over the net asset value ("**NAV**") per Share as of 30 June 2020;
 - (ii) 13.6% over the last transacted price per Share of S\$1.760 on 14 December 2020, being the last full Market Day⁴ on which the Shares were transacted prior to the Offer Announcement Date (the "**Last Trading Day**"); and
 - (iii) 23.2%, 42.3%, 50.6% and 62.5% 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, up to and including the Last Trading Day.
- (b) The Offer Price exceeds the average of analysts' price targets

The Offer Price also represents a premium of approximately 34.2% over the average target price of S\$1.490 per Share by equity research analysts covering the Company.

⁴ A day on which the SGX-ST is open for the trading of securities.



Source: Bloomberg L.P.

Notes:

- 1) As at 14 December 2020, being the Last Trading Day
- 2) The VWAPs of Shares are rounded to the nearest three (3) decimal places and computed on data sourced from Bloomberg L.P. up to and including the Last Trading Day. The respective premia are rounded to the nearest one (1) decimal place
- 3) Based on as reported NAV per Share as at 30 June 2020 disclosed in the Company's 1H2020 Financial Statements. The percentage premium is rounded to the nearest one (1) decimal place.
- 4) Computed based on simple average of analyst target prices extracted from Bloomberg L.P. as at 16 December 2020, including target prices issued by UOB Kay Hian, DBS Bank, Maybank Kim Eng and CGS-CIMB. In addition to the target prices extracted from Bloomberg L.P., CLSA's target price has also been included in computing the simple average

(c) Opportunity for Shareholders to exit their entire investment in the Shares, which may otherwise be difficult due to the low trading liquidity of the Shares

The trading liquidity of the Shares has been low. The average daily trading volume of the Shares over the last one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day are set out in the table below.

| | One (1)-month period | Three (3)-month period | Six (6)-month period | 12-month period |
|---|----------------------|------------------------|----------------------|-----------------|
| Average daily trading volume as a percentage of total Shares | 0.388% | 0.296% | 0.309% | 0.351% |

Notes:

- 1) The average daily trading volume is based on data extracted from Bloomberg L.P. as at the Last Trading Day and calculated using the daily total volume of Shares traded divided by the total number of Shares.
- 2) The percentage figures are rounded to the nearest three (3) decimal places.

8.2 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 as well as facilitate the implementation of any operational changes.

8.3 **No Need for Access to Capital Markets**

Since 2004, the Company has not carried out any corporate exercise to raise funds on the SGX-ST. The Company is also unlikely to require access to Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain a listing on the SGX-ST.

8.4 **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 its listed status and focus its resources on its business operations.

9. **OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY**

The Offeror has no current intentions to (a) introduce any major changes to the existing business of the Company; (b) re-deploy the fixed assets of the Company; or (c) discontinue the employment of the existing employees of the Company and its subsidiaries, in each case, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Company and its subsidiaries.

10. **LISTING STATUS AND COMPULSORY ACQUISITION**

10.1 **Listing Status**

Under Rule 723 of the listing manual of the SGX-ST (the "**Listing Manual**"), the Company must ensure that at least 10% of the total number of Shares is at all times held in public hands (the "**Free Float Requirement**"). Pursuant to Rule 1105 of 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, 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 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, thus causing the percentage of the total number of 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.

Under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not satisfied, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the

Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares held in public hands to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.

10.2 **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 Shares (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 shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") at a price equal to the Offer Price (the "**Compulsory Acquisition**").

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total Shares, Dissenting Shareholders will have a right to require the Offeror to acquire their Shares at the Offer Price. Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

10.3 **Offeror's Intentions**

The Offeror does not intend to maintain the listing status of the Company. In the event that, *inter alia*, the Free Float Requirement is not satisfied, the Offeror intends to delist the Company and does not intend to take any step for the public float to be restored and/or for any trading suspension of the Shares by the SGX-ST to be lifted. **Furthermore, the Offeror, if and when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.** 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.

11. **DISCLOSURE OF HOLDINGS IN COMPANY SECURITIES**

11.1 As at the Offer Announcement Date, (a) the Offeror and its directors; (b) CLSA; and (c) DBS Bank (collectively, the "**Relevant Persons**") collectively (i) own, control or have agreed to acquire an aggregate of 674,234,126 Shares, representing approximately 83.50% of the total number of Shares and approximately 82.37% of the maximum potential issued share capital of the Company; and (ii) hold Options to subscribe for 4,868,198 Shares.⁵

11.2 Save as set out in this Announcement, as at the Offer Announcement Date, none of the Relevant Persons owns, controls or has agreed to acquire any (a) Shares; (b) securities which carry voting rights in the Company; or (c) convertible securities, warrants, options or derivatives in respect of such Shares or securities (collectively, the "**Company Securities**").

11.3 As security for the financing arrangements entered into in connection with the Offer, the Offeror and Mr Yao have granted charges in favour of DBS Bank over all Company Securities at any

⁵ Any discrepancies between the percentages set out at paragraphs 5.3, 5.4 and 7.2(a) and the total percentages set out in this paragraph 11.1 are due to rounding.

time, and from time to time, held by or on behalf of each of them respectively (the "**Financing Security Arrangements**"). As at the Offer Announcement Date, Mr Yao has granted charges in favour of DBS Bank over the following Company Securities held by him: (a) 673,496,144 Shares, representing approximately 83.41% of the total number of Shares; and (b) Options to subscribe for an aggregate of 4,360,382 Shares, representing approximately 0.54% of the total number of Shares (collectively, the "**Charged Securities**"). Pursuant to the terms of his Irrevocable Undertaking, Mr Yao shall procure the release of the Charged Securities from the Financing Security Arrangements to enable him to accept the Offer.

11.4 Save as set out in this Announcement, as at the Offer Announcement Date, none of the Relevant Persons:

- (a) has received any irrevocable commitment from any person to accept the Offer (other than the Irrevocable Undertakings);
- (b) has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to Offeror Shares or Shares which might be material to the Offer; and
- (c) has, in respect of any Company Securities:
 - (i) granted any security interest to another person, whether through a charge, pledge or otherwise (other than the Financing Security Arrangements);
 - (ii) borrowed from another person (excluding borrowed securities which have been on-lent or sold); or
 - (iii) lent to another person.

11.5 In the interest 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 it in connection with the Offer. Similarly, the Joint Financial Advisers have not made enquiries in respect of certain parties who are or may be presumed to be acting in concert with them in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures, if any, will be made in the Offer Document.

11.6 In accordance with the Code, the associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in Company Securities under Rule 12 of the Code.

12. 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.

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 the 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. Shareholders who are not resident in Singapore should inform themselves of, and observe, any applicable requirements.

The Offeror and the Joint Financial Advisers 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.

13. CONFIRMATION OF FINANCIAL RESOURCES

DBS Bank, as joint 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 Reinvestment Amount.

14. 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.**

15. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to 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 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

CLSA SINGAPORE PTE LTD and DBS BANK LTD.

For and on behalf of

YHT VENTURE PTE. LTD.

18 December 2020

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

CLSA Singapore Pte Ltd
Corporate Finance and Capital Markets

DBS Bank Ltd.
Strategic Advisory

Tel: +65 6416 7888

Tel: +65 6878 2150

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", "shall", "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 the Joint Financial Advisers undertakes any obligation to update publicly or revise any forward-looking statements.