

## MANDATORY CONDITIONAL CASH OFFER

by



### W CAPITAL MARKETS PTE. LTD.

(Company Registration No.: 201813270E)

(Incorporated in the Republic of Singapore)

for and on behalf of

### EMET GRACE LTD.

(Company Registration No.: MC-367608)

(Incorporated in the Cayman Islands)

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

### PENGUIN INTERNATIONAL LIMITED

(Company Registration No.: 197600165Z)

(Incorporated in the Republic of Singapore)

### DEALINGS DISCLOSURE

## MANDATORY CONDITIONAL CASH OFFER

### 1. INTRODUCTION

W Capital Markets Pte. Ltd. (the "Financial Adviser") refers to:

- (a) the announcement (the "Offer Announcement") issued by the Financial Adviser, for and on behalf of Emet Grace Ltd. (the "Offeror") on 21 January 2021 (the "Offer Announcement Date"), in relation to the voluntary conditional cash offer (the "Offer") for all the issued and paid-up ordinary shares (the "Shares") in the capital of Penguin International Limited (the "Company"), other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer (collectively, the "Offer Shares" and each, an "Offer Share"); and
- (b) the dealings disclosure announcements issued by the Financial Adviser, for and on behalf of the Offeror, on 22 January 2021, 25 January 2021, 26 January 2021, 27 January 2021, 28 January 2021 and 29 January 2021.

All capitalised terms used and not defined in this Announcement shall have the same meanings as defined in the Offer Announcement, unless otherwise expressly stated or the context otherwise requires.

## 2. DEALINGS

Pursuant to Rule 12.1 of the Singapore Code on Take-overs and Mergers (the "**Code**"), the Financial Adviser wishes to announce, for and on behalf of the Offeror, that the following dealings in Shares were made by the Offeror on the Singapore Exchange Securities Trading Limited on 1 February 2021 as at the release of this Announcement (the "**Market Acquisition**"):

- |     |                                                                                                                                                                                |                         |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| (a) | Total number of Shares acquired as a result of the Market Acquisition                                                                                                          | 787,500                 |
| (b) | Percentage of the total number of Shares constituted by the total number of Shares acquired as a result of the Market Acquisition <sup>1</sup>                                 | 0.36%                   |
| (c) | Price paid per Share (excluding brokerage commission, clearing fees, stamp duties and goods and services tax)                                                                  | S\$0.65                 |
| (d) | Resultant total number of Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it after the Market Acquisition                  | 66,211,448 <sup>2</sup> |
| (e) | Resultant total percentage of Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it after the Market Acquisition <sup>1</sup> | 30.07% <sup>2</sup>     |

## 3. MANDATORY CONDITIONAL CASH OFFER

### 3.1 **Obligation to make a MGO**

As mentioned in paragraph 2 above, as a result of the Market Acquisition, the total number of

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<sup>1</sup> In this Announcement, unless otherwise stated, all references to the percentage shareholding interest are based on the Company's issued and paid-up capital of 220,169,774 Shares as at the date of this Announcement.

<sup>2</sup> This figure includes the (a) 47,459,515 Shares (representing approximately 21.56% of the total number of Shares) held by Mr. Jeffrey Hing Yih Peir ("**JHYP**") and Mr. James Tham Tuck Choong, being persons acting in concert with the Offeror in connection with the Offer and who have provided irrevocable undertakings in favour of the Offeror to accept the Offer in respect of the 47,459,515 Shares; (b) 290,600 Shares (representing approximately 0.13% of the total number of Shares) held by Ms. Hing Aik Ling, being a person acting in concert with the Offeror in connection with the Offer, by virtue of her being the sister of JHYP and (c) 23,333 Shares (representing approximately 0.01% of the total number of Shares) held by Mrs. Tham Ching Choo Nee Goh Ching Choo, being a person acting in concert with the Offeror in connection with the Offer, by virtue of her being the mother of Mr. James Tham Tuck Choong.

Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it amounted to 66,211,448 Shares, representing approximately 30.07% of the total number of Shares.

Accordingly, pursuant to Rule 14.1 of the Code, the Offeror has incurred an obligation to make a mandatory conditional cash offer (the "**MGO**") for all the Offer Shares.

### 3.2 **Change in the Nature of the Offer**

The proposed voluntary conditional cash offer by the Offeror for the Offer Shares, as mentioned in paragraph 1 of the Offer Announcement, shall therefore be converted to a MGO. References to the "**Offer**" in this Announcement shall be taken to refer to the MGO.

## 4. **THE OFFER**

The salient terms of the Offer as set out in paragraph 2 of the Offer Announcement, which remain unchanged, are as set out below:

### (a) Offer Price

Subject to the terms and conditions set out in the formal offer document to be issued by the Financial Adviser, for and on behalf of the Offeror (the "**Offer Document**"), the Offeror will make the Offer for the Offer Shares at the offer price of S\$0.65 in cash for each Offer Share (the "**Offer Price**").

### (b) No Encumbrances

As mentioned in paragraph 2.2 of the Offer Announcement, the Offer Shares are to be acquired (i) fully paid, (ii) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all Distributions which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date).

If any Distribution 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 to a shareholder of the Company ("**Shareholder**") who validly accepts or has validly accepted the Offer by an amount equivalent to such Distribution.

### (c) Conditional Offer

As mentioned in paragraph 2.3 of the Offer Announcement, 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 and persons acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in

the Offeror and persons acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company as at the close of the Offer.

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by or on behalf of the Offeror and persons acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and persons acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company as at the close of the Offer.

**Save for the above, the Offer will be unconditional in all other respects.**

(d) Other Terms of the Offer

Further information on the Offer and the terms and conditions upon which the Offer will be made, will be set out in the Offer Document to be issued.

## **5. 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 laws. 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 laws 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 laws and regulations) 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 facility.

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 the Financial Adviser 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.

## **6. 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 of the Company should exercise caution and seek appropriate independent professional advice when dealing in the Shares.

## **7. DIRECTORS' 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 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 full responsibility accordingly.

Issued by  
**W CAPITAL MARKETS PTE. LTD.**

For and on behalf of  
**EMET GRACE LTD.**

1 February 2021

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

**W Capital Markets Pte. Ltd.**

Mr. Foo Say Nam	Ms. Sheila Ong
Partner, Head of Advisory	Vice President, Corporate Finance
Tel: (65) 6513 3536	Tel: (65) 6513 3525

*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", "target" 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 Financial Adviser undertakes any obligation to update publicly or revise any forward-looking statements.*