



WEIYE HOLDINGS LIMITED
偉業控股有限公司*

(Singapore Company Registration Number: 198402850E)
(Incorporated in the Republic of Singapore with limited liability)
(Hong Kong Stock Code: 1570)
(Singapore Stock Code: BMA)

Directors:

Zhang Wei (*Executive Chairman and Chief Executive Officer*)
Chen Zhiyong (*Executive Director and
Chief Operating Officer*)
Dong Xincheng (*Non-Executive Director*)
Ong Kian Guan (*Lead Independent Non-Executive Director*)
Oh Eng Bin (*Independent Non-Executive Director*)
Siu Man Ho Simon (*Independent Non-Executive Director*)

Registered Office:

100H Pasir Panjang Road
#01-01, OC@Pasir Panjang
Singapore 118524

20 June 2018

To: The Shareholders of Weiye Holdings Limited

Dear Sir/Madam,

**PROPOSED VOLUNTARY DELISTING OF WEIYE HOLDINGS LIMITED FROM
THE OFFICIAL LIST OF THE MAINBOARD OF THE SGX-ST PURSUANT TO
RULES 1307 AND 1309 OF THE SGX-ST LISTING MANUAL**

1. INTRODUCTION

- 1.1** Reference is made to the Joint Announcement dated 13 March 2018 jointly made by the Offeror and the Company.
- 1.2** On the Joint Announcement Date, the Offeror and the Company jointly announced that the Offeror had presented to the Directors the Delisting Proposal to seek the Delisting pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual.
- 1.3** **As at the Latest Practicable Date, the Shares are primarily listed and quoted on the Official List of the Mainboard of the SGX-ST and the Main Board of the SEHK. The Company does not have any issued securities listed on the SGX-ST or the SEHK other than the Shares. The Delisting is not a privatisation exercise and following the completion of the Delisting, the primary listing status of the Company on the Main Board of the SEHK will be preserved.**

* *For identification purpose only.*

- 1.4** The Directors, having reviewed the Delisting Proposal, have resolved that an application be made to the SGX-ST for the Delisting and an EGM be convened on 24 July 2018 at 10:00 a.m. at Phoenix 11 Meeting Room, 6th Floor, Novotel Singapore Clarke Quay Hotel, 177A River Valley Road, Singapore, 179031, to seek the approval of the Shareholders for the Delisting.
- 1.5** The purpose of this Circular is to provide Shareholders with information relating to the Delisting and the Exit Offer, and to seek Shareholders' approval of the Delisting Resolution to be proposed at the EGM, notice of which is set out on page 409 of this Circular.
- 1.6** This Circular (including the Address Notification Form) and the Exit Offer Letter (including the relevant Acceptance Forms) have been despatched to the Shareholders by ordinary post. Electronic copies of this Circular and the Exit Offer Letter are also available on the websites of the SGX-ST, the SEHK and the Company at <http://www.sgx.com>, <http://www.hkex.com.hk>, and <http://www.weiyeholdings.com> respectively.

2. THE DELISTING PROPOSAL

As stated in the Exit Offer Letter, in connection with the Delisting and subject to the terms and conditions set out in the Exit Offer Letter, the Joint Financial Advisers, for and on behalf of the Offeror, are making the Exit Offer to acquire all the issued Shares⁽³⁾ (other than those Shares already owned, controlled or agreed to be acquired by the Offeror).

2.1 Condition of the Delisting and the Exit Offer

2.1.1 Condition of the Delisting and the Exit Offer

The Delisting and the Exit Offer are subject to satisfaction of the following Condition by no later than the Long-Stop Date:

- (a) the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM (the Directors and Controlling Shareholders of the Company need not abstain from voting on the Delisting Resolution);
- (b) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM; and

³ Unless otherwise stated, references in this Circular to the total number of issued Shares are based on 196,133,152 Shares in issue as at the Latest Practicable Date. As at the Latest Practicable Date, the Company does not hold any Shares in treasury.

- (c) confirmation from the SGX-ST that it has no objection to the proposed Delisting, subject to the Shareholders' approval of the Delisting Resolution as set out in sub-paragraphs (a) and (b) above.

The Exit Offer will **not** be conditional upon a minimum number of acceptances being received by the Offeror for the Exit Offer to become or be capable of being declared unconditional as to acceptances.

If the Condition is not fulfilled by the Long-Stop Date, the Delisting will not proceed and the Company will remain listed on the Official List of the Mainboard of the SGX-ST and on the Main Board of the SEHK. The Exit Offer will also lapse and the Shares in respect of which acceptances of the Exit Offer have been received will be returned to the relevant Shareholder.

2.2 Listing Manual Provisions Pertaining to the Delisting and the Exit Offer

2.2.1 Under Rule 1307 of the SGX-ST Listing Manual, the SGX-ST may agree to an application by the Company to delist from the Official List of the Mainboard of the SGX-ST, provided that:

- (a) the Company convenes an EGM to obtain approval from Shareholders of the Delisting Resolution;
- (b) the Delisting Resolution is approved by a majority of at least 75% of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM; and
- (c) the Delisting Resolution is not voted against by 10% or more of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

2.2.2 The Company had on 10 April 2018 made an application to the SGX-ST to delist the Company from the Official List of the Mainboard of the SGX-ST. The SGX-ST has, in its letter dated 14 June 2018, advised that it has no objection to the Delisting, subject to approval by the Shareholders in accordance with Rule 1307 of the SGX-ST Listing Manual and the fulfilment of other conditions precedent to the Delisting. **Please note that the SGX-ST's decision is not to be taken as an indication of the merits of the Delisting and the Exit Offer.**

Shareholders should note that under Rule 1307(2) of the SGX-ST Listing Manual, the Directors and the Controlling Shareholders need not abstain from voting on the Delisting Resolution.

The Company understands that Mr. Zhang and Mr. Chen intend to vote all of their Shares in favour of the Delisting Resolution at the EGM. As at the Latest Practicable Date, Mr. Zhang and Mr. Chen own an aggregate of 131,269,904 Shares, representing approximately 66.93% of the total issued Shares. Please refer to Section 7 in the “Letter to Shareholders” of the Circular for further details of the irrevocable undertakings.

2.2.3 In addition, Rule 1309 of the SGX-ST Listing Manual requires that if the Company is seeking to delist from the Official List of the Mainboard of the SGX-ST:

- (a) a reasonable exit alternative, which should normally be in cash, should be offered to Shareholders; and
- (b) the Company should normally appoint an independent financial adviser to advise on the Exit Offer.

3. THE EXIT OFFER

3.1 The information relating to the Exit Offer has been extracted from Section 2 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“2. *THE EXIT OFFER*

2.1 Terms of the Exit Offer

Subject to the satisfaction of the Condition, the Joint Financial Advisers, for and on behalf of the Offeror, will make the Exit Offer in cash for all the Offer Shares.

- (a) *The Exit Offer will be made on the following basis:*

The Exit Offer Price will be S\$0.65 or HK\$3.88 in cash for each Offer Share for Shares registered in the Singapore Register and HK Branch Register respectively. The Exit Offer Price in Hong Kong dollars is calculated based on the Latest Exchange Rate, and will not be adjusted based on prevailing exchange rates.

The Exit Offer Price is final and will not be further increased or revised.

The Exit Offer Price shall be applicable to any number of Offer Shares that are validly tendered in acceptance of the Exit Offer.

For the avoidance of doubt, in respect of valid acceptances of the Exit Offer by Shareholders whose Shares are registered on the HK Branch Register, the consideration payable for valid acceptances will be determined based on the Exit Offer Price in Hong Kong dollars, and the actual payment for valid acceptances by such Shareholders will be made in Hong Kong dollars. In respect of valid acceptances of the Exit Offer by Shareholders whose Shares are registered on the Singapore Register, consideration payable for the valid acceptances will be determined based on the Exit Offer Price in Singapore Dollars and the actual payment for valid acceptances by such Shareholders will be made in Singapore dollars.

- (b) The Offer Shares will be acquired fully paid and free from all Encumbrances and together with all rights, benefits, entitlements and advantages attached thereto as at the Joint Offer Announcement Date and thereafter attaching thereto, including the right to all Distributions (if any), the Record Date for which falls on or after the Joint Offer Announcement Date.*
- (c) Without prejudice to the generality of the foregoing, the Exit Offer Price has been determined on the basis that the Offer Shares will be acquired together with the right to receive any Distributions (if any), available as at the Record Date which falls on or after the Joint Offer Announcement Date. In the event that the Record Date in respect of a Distribution falls on or after the Joint Offer Announcement Date, the Exit Offer Price payable to a Shareholder who validly accepts the Exit Offer shall be subject to the following adjustment mechanism, depending on when the Offer Settlement Date falls:
 - (i) if the Offer Settlement Date falls on or before the Record Date, the Offeror will pay the relevant accepting Shareholders the unadjusted Exit Offer Price of S\$0.65 or HK\$3.88 in cash for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and*
 - (ii) if the Offer Settlement Date falls after the Record Date, the Exit Offer Price payable for such Offer Shares tendered in acceptance of the Exit Offer shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.**

2.2 Condition of the Exit Offer and the Delisting

The Exit Offer and the Delisting are subject to satisfaction of the following Condition by no later than the Long-Stop Date:

- (a) the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM;*

- (b) *the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM; and*
- (c) *confirmation from the SGX-ST that it has no objection to the proposed Delisting, subject to the Shareholders' approval of the Delisting Resolution as set out in sub-paragraphs (a) and (b) above.*

*The Exit Offer will **not** be conditional upon a minimum number of acceptances being received by the Offeror for the Exit Offer to become or be capable of being declared unconditional as to acceptances. If the Condition has not been satisfied by the Long-Stop Date, the Exit Offer will lapse and the Delisting will not proceed.*

As at the Latest Practicable Date, pursuant to the Irrevocable Undertakings, Mr. Zhang and Mr. Chen, who own an aggregate of 131,269,904 Shares, representing approximately 66.93% of the total issued Shares, have, inter alia, undertaken to vote all of their Shares in favour of the Delisting Resolution at the EGM. Further details on the Irrevocable Undertakings are set out in Section 6 of this Exit Offer Letter.

The SGX-ST has, in its letter date 14 June 2018, advised that it has no objection to the Delisting, subject to approval by the Shareholders in accordance with Rule 1307 of the SGX-ST Listing Manual and the fulfilment of other conditions precedent to the Delisting. The SGX-ST's decision is not an indication of the merits of the Delisting and the Exit Offer.

2.3 Acceptances

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of the Offer Shares.

Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances will be conditional upon satisfaction of the Condition on or before the Long-Stop Date. If the Condition is not satisfied on or before the Long-Stop Date, the Exit Offer will lapse, all acceptances of the Exit Offer will be returned, the Delisting will not proceed and the Offeror will cease to be bound by any prior acceptances of the Exit Offer. The Offer Shares in respect of which acceptances have been received will be returned to the relevant Shareholders in accordance with the procedures set out in this Exit Offer Letter.

2.4 Warranty by accepting Shareholder

Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty to the Offeror and the Joint Financial Advisers by the accepting Shareholder that each Offer Share in respect of which the Exit Offer is accepted and is sold by the accepting Shareholder as, or on behalf of, the beneficial owner(s) thereof, will be fully paid and free from all Encumbrances, and together with all rights, benefits, entitlements and advantages attached thereto as at the Joint Offer Announcement Date, and thereafter attaching thereto, including the right to receive and retain all Distributions (if any), the Record Date for which falls on or after the Joint Offer Announcement Date.

2.5 Commencement and Duration of the Exit Offer

The Exit Offer is open for acceptance from the date of despatch of this Exit Offer Letter to Shareholders. The Circular has been despatched to the Shareholders on the same day as this Exit Offer Letter to allow Shareholders to receive all the relevant information and be able to consider the Exit Offer together with the Delisting Resolution that has been proposed to be passed at the EGM. Shareholders may choose to accept the Exit Offer before the EGM. However, Shareholders are to note that as the Exit Offer is exempted from compliance with Rule 29 of the Singapore Takeover Code on the right of acceptors to withdraw their acceptances, once a complete and valid acceptance had been received from a relevant Shareholder, such an acceptance cannot be revoked by the relevant Shareholder. Also, such acceptances will be conditional upon, amongst other things, the Delisting Resolution being passed at the EGM. If the Delisting Resolution is not passed at the EGM, the Condition will not be satisfied, the Exit Offer will lapse and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

*The Exit Offer is required to remain open for acceptance for a period of at least twenty-one (21) days following the date of despatch of this Exit Offer Letter pursuant to Rule 15.1 of the HK Takeovers Code. If the Delisting Resolution is approved by the Shareholders at the EGM, the Exit Offer will become unconditional and remain open for acceptance for a period of at least fourteen (14) days after the date of the Exit Offer becoming unconditional in all respects. Accordingly, if approved by Shareholders and the Condition is satisfied, the Exit Offer will close at **4.00 p.m. (Hong Kong and Singapore time) on 7 August 2018.***

Shareholders are reminded that the Exit Offer will close at 4.00 p.m. (Hong Kong and Singapore time) on the Closing Date pursuant to Rule 15.1 of the HK Takeovers Code and should exercise caution in relation to the timing of acceptance of the Exit Offer.

The Offeror has no intention of extending the Exit Offer beyond 4.00 p.m. (Hong Kong and Singapore time) on the Closing Date. Notice is hereby given that the Exit Offer will not be open for acceptance beyond 4.00 p.m. (Hong Kong and Singapore time) on the Closing Date.

2.6 Settlement of consideration

Settlement of consideration in respect of acceptances of the Exit Offer will be made as soon as possible but in any event within seven (7) Business Days of the date on which:

- (a) a complete and valid acceptance in respect of the Exit Offer is received; or*
- (b) the Condition has been satisfied,*

whichever is later.

2.7 Voting at the EGM

The Offeror is making the Exit Offer in order to facilitate the Delisting and accordingly, the Exit Offer is conditional upon the Delisting Resolution being approved by Shareholders at the EGM. Shareholders may vote all or any number of Shares held by them for or against the Delisting Resolution, regardless of whether or not they wish to accept the Exit Offer.

- (a) Shareholders who support the Delisting and wish to retain their Shares (which will continue to be listed on the SEHK) may vote in favour of the Delisting Resolution at the EGM and not accept the Exit Offer;*
- (b) Shareholders who support the Delisting but wish to sell their Shares (although such Shares will continue to be listed on the SEHK) may vote in favour of the Delisting Resolution at the EGM and accept the Exit Offer;*
- (c) Shareholders who do not support the Delisting and wish to retain their Shares may vote against the Delisting Resolution at the EGM and not accept the Exit Offer; and*
- (d) Shareholders who do not support the Delisting but wish to sell their Shares in the event that the Delisting Resolution is approved may vote against the Delisting Resolution and accept the Exit Offer.*

Shareholders should note that the Delisting is not a privatisation exercise. In the event that the Delisting Resolution is approved by Shareholders at the EGM, the Company will delist the Shares from the SGX-ST but maintain its primary listing on the Main Board of the SEHK.

Shareholders who currently trade their Shares on the SGX-ST and who do not accept the Exit Offer will be able to continue trading their Shares on the Main Board of the SEHK subsequent to the completion of the Delisting as their Shares will be automatically transferred, at the Company's cost, from the Singapore Register to the HK Branch Register. Please refer to Sections 11 and 16.3 of this Exit Offer Letter for further details.

Shareholders who wish to retain their Shares and not accept the Exit Offer do not need to take any action. Shareholders who wish to sell their Shares and accept the Exit Offer should complete, sign and return the relevant Acceptance Form. Please refer to Section 16 of this Exit Offer Letter for further details."

- 3.2** Please refer to Appendices 2 and 3 to the Exit Offer Letter for the procedures relating to acceptance and settlement of the Exit Offer.

4. RULINGS AND CONFIRMATIONS FROM THE SIC

The information relating to the applications made by the Offeror to SIC to seek clarification regarding the extent to which the provisions of the Singapore Takeover Code apply to the Exit Offer and to obtain certain rulings from the SIC in relation to the Exit Offer and the Delisting, has been extracted from Section 3 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“3. RULINGS AND CONFIRMATIONS FROM THE SIC

Pursuant to an application made by the Offeror to the SIC, the SIC has ruled, amongst others, as follows:

- (a) the undertaking shareholders (if any) other than Mr. Zhang and Mr. Chen will not be regarded as parties acting in concert with the Offeror solely by reason of providing the Irrevocable Undertakings executed by them;*
- (b) the financial confirmation to be given under Rules 3.5 and 23.8 of the Singapore Takeover Code in connection with the Shares tendered in acceptance of the Exit Offer, may exclude the amounts payable to Mr. Zhang and Mr. Chen in respect of their respective Shares, subject to their Irrevocable Undertakings not being revoked at any time before the completion of the Exit Offer;*
- (c) the Exit Offer is exempted from compliance with the following provisions of the Singapore Takeover Code:*
 - (i) Rule 20.1 on keeping the Exit Offer open for fourteen (14) days after it has been revised;*
 - (ii) Rule 22 on the offer timetable;*
 - (iii) Rule 28 on acceptances; and*
 - (iv) Rule 29 on the right of acceptors to withdraw their acceptances,*
subject to the Exit Offer remaining open for at least:
 - (A) twenty-one (21) days after the date of the despatch of the Exit Offer Letter if the Exit Offer Letter is despatched after Shareholders' approval for the Delisting has been obtained; or*
 - (B) fourteen (14) days after the date of the announcement of Shareholders' approval of the Delisting if the Exit Offer Letter is despatched on the same date as the Circular;*

- (d) *the Directors and Controlling Shareholders do not need to abstain from voting on the Delisting Resolution at the EGM; and*
- (e) *Mr. Zhang and Mr. Chen (the “Interested Directors”) are exempted from making a recommendation on the Exit Offer to Shareholders as they face irreconcilable conflicts of interest in doing so, given that they are acting in concert with the Offeror and will be providing Irrevocable Undertakings. Each of the Interested Directors must, however, still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.”*

5. INFORMATION ON THE RELEVANT PERSONS

- 5.1** The information relating to the Relevant Persons has been extracted from Section 4 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“4. INFORMATION ON THE RELEVANT PERSONS

4.1 Information on the Offeror and Mr Zhang

- (a) *The Offeror is a company incorporated in the BVI on 5 April 2017. Its registered office is Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, BVI. The Offeror is an investment holding company. As at the Latest Practicable Date, the Offeror has an issued share capital of US\$100.00 comprising 100 ordinary shares, which are wholly and beneficially owned by Mr. Zhang. The sole director of the Offeror is Mr. Zhang, who is also the Chairman, executive Director and chief executive officer of the Company.*
- (b) *As at the Latest Practicable Date, Mr. Zhang owns 91,029,648 Shares, representing approximately 46.41% of the total issued Shares, while the Offeror does not own any Shares. Please refer to **Appendix 6** for details on Mr. Zhang’s shareholdings in the Company.*
- (c) *As at the Latest Practicable Date, save as disclosed in Section 4.1(b) above, each of the Offeror and Mr. Zhang does not own and has not entered into any agreement to acquire any Shares or convertible securities issued by the Company. Please refer to **Appendix 4** to this Exit Offer Letter for further details relating to the Offeror.*

4.2 Information on Mr. Chen

*Mr. Chen is an executive Director and the chief operating officer of the Company, and owns 40,240,256 Shares, representing approximately 20.52% of the total issued Shares. Mr. Chen is the brother-in-law of Mr. Zhang. Please refer to **Appendix 6** for details on Mr. Chen's shareholdings in the Company.*

4.3 Information on Mr. Zhang Jianwei

*Mr. Zhang Jianwei is the brother of Mr. Zhang, and owns 833,867 Shares, representing approximately 0.43% of the total issued Shares. Please refer to **Appendix 6** for details on Mr. Zhang Jianwei's shareholdings in the Company.*

4.4 Aggregate holdings of the Relevant Persons

As at the Latest Practicable Date, the Relevant Persons (including Mr. Zhang, Mr. Chen and Mr. Zhang Jianwei), have an aggregate interest in 132,103,771 Shares, representing approximately 67.35% of the total number of issued Shares. Please refer to Section 13 below for details of the Company Securities owned or controlled by the Relevant Persons.”

5.2 Additional information on the Offeror is set out in **Appendix IV** to this Circular.

5.3 The information relating to the disclosures of holdings and dealings in the Company Securities, based on responses to enquiries that the Offeror has made, is extracted from **Appendix 6** of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“1. HOLDINGS OF SHARES OF THE RELEVANT PERSONS

The holdings of Shares of the Relevant Persons as at the Latest Practicable Date are set out below:

	<i>Direct Interest</i>		<i>Deemed Interest</i>		<i>Total Interest</i>	
	<i>Number of Shares</i>	<i>%⁽¹⁾</i>	<i>Number of Shares</i>	<i>%⁽¹⁾</i>	<i>Number of Shares</i>	<i>%⁽¹⁾</i>
<i>Offeror</i>	–	–	–	–	–	–
<i>Mr. Zhang⁽²⁾⁽⁶⁾</i>	–	–	91,029,648	46.41	91,029,648	46.41
<i>Mr. Chen⁽³⁾⁽⁷⁾</i>	–	–	40,240,256	20.52	40,240,256	20.52
<i>Mr. Zhang Jianwei⁽⁴⁾⁽⁵⁾⁽⁸⁾</i>	–	–	833,867	0.43	833,867	0.43

Notes:

- (1) Based on 196,133,152 Shares in issue as at the Latest Practicable Date.
- (2) Mr. Zhang is deemed interested in 91,029,648 shares held under the nominee accounts, HKSCC Nominees Limited.
- (3) Mr. Chen is deemed interested in 40,240,256 shares held under the nominee account, HKSCC Nominees Limited.
- (4) Mr. Zhang Jianwei is the brother of Mr. Zhang.
- (5) Mr. Zhang Jianwei is deemed interested in 833,867 Shares held under the nominee account, HKSCC Nominees Limited.
- (6) Mr. Zhang has granted a charge over 75,529,648 Shares in favour of Fresh Idea Ventures Limited, pursuant to a charge over shares dated 22 June 2017 (“**ZW Charge**”).
- (7) Mr. Chen has granted a charge over 24,240,256 Shares in favour of Fresh Idea Ventures Limited, pursuant to a charge over shares dated 22 June 2017 (“**CZY Charge**”).
- (8) Mr. Zhang Jianwei has granted a charge over 500,000 Shares in favour of Fresh Idea Ventures Limited, pursuant to a charge over shares dated 22 June 2017.
- (9) Fresh Idea Ventures Limited is 100.0% controlled by China Huarong Asset Management Co., Ltd.

2. THE LOAN FROM FRESH IDEA VENTURES LIMITED TO WELL FAI INTERNATIONAL LTD.

On 22 June 2017, Well Fai International Ltd, an investment holding company wholly-owned by Mr. Zhang, as borrower and Fresh Idea Ventures Limited as lender entered into a loan agreement pursuant to which Fresh Idea Ventures Limited agreed to lend to Well Fai International Ltd. on the following principal terms:

<i>Term</i>	:	<i>Two years from 26 June 2017, the date of drawdown</i>
<i>Principal Amount</i>	:	<i>HK\$310,000,000</i>
<i>Interest Rate</i>	:	<i>9.5% per annum</i>
<i>Default Interest</i>	:	<i>20% per annum</i>
<i>Security</i>	:	<ul style="list-style-type: none">• <i>Personal guarantees granted by Mr. Zhang and Mr. Chen;</i>• <i>Charge over the Shares held by Mr. Zhang, Mr. Chen and Mr. Zhang Jianwei (note 1);</i>• <i>Debenture granted by Well Fai International Ltd. (note 2).</i>

- Repayment* : *Well Fai International Ltd. must repay the loan at the following times and in the following amounts:*
- *HK\$60,000,000 on the date falling six months after the drawdown date;*
 - *HK\$250,000,000 on the final maturity date, being the date falling two years after the drawdown date.*
- Purpose of the loan* : *Well Fai International Ltd's general working capital*
- Payment of principal amount together with interest up to the date of the Joint Offer Announcement* : *approximately HK\$74,725,000*

The loan from Fresh Idea Ventures Limited (“Loan”) will not result in any material implication on the Proposed Delisting and the Irrevocable Undertaking because the ZW Charge and CZY Charge will not affect the undertakings provided by Mr. Zhang and Mr. Chen to exercise or procure the exercise of the voting rights attached to their Shares to vote in favour of the Delisting Resolution at the EGM.

Pursuant to the Irrevocable Undertakings, details of which are provided at Paragraph 6 of this Exit Offer Letter, Mr. Zhang and Mr. Chen have unconditionally and irrevocably undertaken, represented and warranted to the Offeror that without prejudice to any other rights or remedies which the Offeror may have, they acknowledge and agree that damages may not be an adequate remedy for any breach by either of them of any of their obligations under the Irrevocable Undertakings. The Offeror shall be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of any such obligations and no proof of special damages shall be necessary for the enforcement by the Offeror of its rights under the Irrevocable Undertakings. Mr. Zhang and Mr. Chen agree that if any action should be brought by the Offeror in equity to enforce any of the provisions of the Irrevocable Undertakings, they shall not raise the defence that there is an adequate remedy at law.

The Offeror has a duty under the Singapore Takeover Code to ensure that the offer is properly executed and to enforce the undertakings in the event Mr. Zhang or Mr. Chen breaches any of their obligations under the Irrevocable Undertakings. Mr. Zhang, as a director of the Offeror, also has a duty to ensure that any action is pursued in order to ensure that the offer is effected properly.

Fresh Ideas Ventures Limited is not bound by the Irrevocable Undertakings as the undertakings are personal to Mr. Zhang and Mr. Chen. However, pursuant to the Irrevocable Undertakings, Mr. Zhang and Mr. Chen have unconditionally and irrevocably undertaken, represented and warranted to the Offeror, as follows:

- (a) they have respectively retained and will ensure that they shall respectively retain beneficial ownership over the 75,529,648 Shares and 24,240,256 Shares at all times prior to the close or withdrawal of the Exit Offer;*
- (b) they have respectively retained and will ensure that they shall respectively retain all voting rights in respect of the 75,529,648 Shares and 24,240,256 Shares at all times prior to the close or withdrawal of the Exit Offer;*
- (c) as at the date of the Irrevocable Undertakings, Well Fai International Ltd. is current on the repayment of the Loan and interests. The full repayment of the Loan is due in 2 years and there is no repayment required during the Offer Period. There is no default by Well Fai International Ltd., Mr. Zhang or Mr. Chen of any of their obligations under the Loan and/or any breach of any terms and conditions of the Loan which may result in the Fresh Ideas Ventures Limited having the right to exercise its security over any part of the 75,529,648 Shares and 24,240,256 Shares (“**Event of Default**”), whether to take ownership of such shares or any right of sale it may have over the shares or otherwise; and*
- (d) they shall use best efforts to ensure that there shall be no Event of Default at all time prior to the close or withdrawal of the Exit Offer. In the event there is any Event of Default or in the event either of them is aware of any potential or possible Event of Default, they shall notify the Offeror and its advisors immediately of the details of such Event of Default, and shall use all reasonable efforts to remedy such Event of Default.*

Notes:

- (1) The chargors charged by way of first fixed charge (i) all of their rights, titles, interests in the charged Shares; (ii) all other rights, titles and interests of the charger in and to their securities account of which the charged Shares are deposited and (iii) all sums standing to the credit of their securities account of which the charged Shares are deposited.*

(2) *Well Fai International Ltd. charged:*

(i) *by way of first fixed charge on:*

(a) *its future book debts;*

(b) *all its future collateral of its assets including but not limited to:*

- *the proceeds of sale of any part of its asset;*
- *all rights under any licence, agreement for sale or agreement for lease in respect of its asset;*
- *all rights against any trustee or nominee or clearance system which holds its asset or in which its asset is held on its behalf;*
- *all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of its asset;*
- *any monies and proceeds paid or payable in respect of its charged asset; and*

(c) *any proceeds of (a) and (b) above.*

(ii) *by way of floating charge on all account as agreed and all its undertaking and assets, both present and future (other than those charged by way of the first fixed charge).*

3. DEALINGS IN SHARES BY THE RELEVANT PERSONS DURING THE REFERENCE PERIOD

Save for the grant of the share charges described in Notes (6) to (8) in paragraph 1 of this Appendix 6, there are no dealings in the Shares by the Relevant Persons during the Reference Period.”

6. INFORMATION ON THE COMPANY

6.1 The Company was incorporated in Singapore on 2 August 1984 and is dual primary listed on the Official List of the Mainboard of the SGX-ST and the Main Board of the SEHK.

6.2 The Group is a property developer in the PRC which focuses on developing residential projects.

6.3 The following information is extracted from the audited consolidated income statement of the Company for FY2016 and FY2017 and the unaudited consolidated income statement of the Company for the three months ended 31 March 2018 (“**1QFY2018**”):

	FY2016 <i>(audited)</i> RMB'000	FY2017 <i>(audited)</i> RMB'000	1QFY2018 <i>(unaudited)</i> RMB'000
Revenue	741,421	1,748,042	185,574
Profit before taxation	145,065	218,527	33,951
Profit for the period attributable to Shareholders	65,349	116,161	7,459

- (a) the Company has an issued and paid-up share capital of 196,133,152 Shares, and does not have any other outstanding options, rights, warrants or other instruments convertible into, exercisable for or redeemable with, any Shares;
- (b) the Company does not have any treasury Shares; and
- (c) the Directors are Mr. Zhang Wei (Chairman, executive Director and chief executive officer), Mr. Chen Zhiyong (executive Director and chief operating officer), Mr. Dong Xincheng (non-executive Director), Mr. Ong Kian Guan (independent non-executive Director and lead independent Director), Mr. Oh Eng Bin (independent non-executive Director) and Mr. Siu Man Ho Simon (independent non-executive Director).

6.4 Additional information on the Company and the Group is set out in **Appendix V** to this Circular.

7. IRREVOCABLE UNDERTAKINGS

7.1 The information relating to the Irrevocable Undertakings has been extracted from Section 6 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“6. IRREVOCABLE UNDERTAKINGS

- (a) *As at the Latest Practicable Date, Mr. Zhang and Mr. Chen (whose particulars are set out in **Appendix I** to this Exit Offer Letter) have provided irrevocable undertakings to the Offeror whereby each of Mr. Zhang and Mr. Chen has irrevocably undertaken, amongst other things:*
 - (i) *to exercise or procure the exercise of the voting rights attached to their Shares to vote in favour of the Delisting Resolution at the EGM;*

- (ii) *not to accept the Exit Offer in respect of all or any of their Shares; and*
 - (iii) *save for any Encumbrances arising from or in connection with the ZW Charge (as defined in the section headed “Holdings of Shares of the Relevant Persons” of Appendix 6 to this Exit Offer Letter) and the CZY Charge (as defined in the section headed “Holdings of Shares of the Relevant Persons” of Appendix 6 to this Exit Offer Letter) in respect of Mr. Zhang and Mr. Chen only, not to, prior to the close or withdrawal of the Exit Offer, directly or indirectly (and whether beneficially, legally or otherwise), (i) offer, sell, give, transfer, pledge, encumber, charge, or grant any option or other right over or otherwise dispose of or deal with any of their Shares or any interest therein; (ii) enter into any swap or other arrangement that transfers to another party in whole or in part any of the legal, beneficial or economic consequences of ownership of, any of their Shares or any interest therein; (iii) subject any of their Shares to any Encumbrance; or (iv) enter into any agreement with a view to effecting any of the foregoing.*
- (b) *The Irrevocable Undertakings will expire and cease to have any effect at the earlier of:*
 - (i) *the Delisting Resolution not being passed by Shareholders at the EGM;*
 - (ii) *the Exit Offer having been withdrawn, lapsed or closed; or*
 - (iii) *12 months from the date of the Irrevocable Undertakings.*
- (c) *As at the Latest Practicable Date, other than Mr. Zhang and Mr. Chen, no other Shareholders have irrevocably undertaken to accept or not accept the Exit Offer.*

Please refer to Section 3 above on the confirmations from the SIC on the Irrevocable Undertakings.”

7.2 The particulars of the Undertaking Shareholders have been extracted from Appendix 1 to the Exit Offer Letter and are reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“*Shares*

<i>Name</i>	<i>Number of Shares comprised in the Irrevocable Undertakings</i>	<i>As a percentage of total issued Shares (%)⁽¹⁾</i>
<i>Mr. Zhang</i>	<i>91,029,648</i>	<i>46.41</i>
<i>Mr. Chen</i>	<i>40,240,256</i>	<i>20.52</i>
<i>Total</i>	<i>131,269,904</i>	<i>66.93</i>

Note:

(1) Based on 196,133,152 Shares in issue as at the Latest Practicable Date.”

8. RATIONALE FOR THE DELISTING AND THE EXIT OFFER

The rationale for the Delisting and the Exit Offer has been extracted from Section 7 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“7. RATIONALE FOR THE DELISTING AND THE EXIT OFFER

The Delisting has been proposed by the Offeror and supported by the Company for the following reasons:

- (a) there is currently limited liquidity in the trading of the Shares and having a single listing will consolidate the trading of the Shares, broaden the Shareholder base and is expected to lead to improved liquidity and enhanced Shareholder value;*
- (b) the SEHK is geographically of closer proximity to the principal place of business of the Group’s operations which are mainly undertaken in the PRC. As such, the Offeror and the Company regard the SEHK as the preferred platform for future fund raising activities (if any) as investors on the SEHK are likely to have greater familiarity with the business of the Group; and*

- (c) *there will be savings in (i) the compliance costs and complexity involved in the Company having to comply with the listing rules and regulations of two stock exchanges; (ii) management resources incurred; and (iii) constraints in operational flexibility, hence resulting in cost savings for the Company.*

The Exit Offer is not made by the Offeror with an intention to consolidate control in or to privatise the Company. The Exit Offer is made in connection with the Delisting pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual. The Offeror intends to preserve the listing status of the Company on the Main Board of the SEHK following the completion of the Delisting.

Shareholders who currently trade their Shares on the SGX-ST and who do not accept the Exit Offer will be able to continue trading their Shares on the Main Board of the SEHK subsequent to the completion of the Delisting as their Shares will be automatically transferred, at the Company's cost, from the Singapore Register to the HK Branch Register."

9. OFFEROR'S INTENTIONS FOR THE COMPANY

- 9.1** The information relating to the Offeror's intentions for the Company has been extracted from Section 8 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

"8. OFFEROR'S INTENTIONS FOR THE COMPANY

The Offeror has no intention to (a) propose or introduce any major changes to the businesses of the Group, (b) re-deploy the fixed assets of the Group, or (c) discontinue the employment of the employees of the Group, in each case, other than in the ordinary course of business. It is the intention of the Offeror that the Group will continue to carry on its existing businesses.

The Offeror intends to preserve the listing status of the Company on the Main Board of the SEHK following the completion of the Delisting. Shareholders should note that the Delisting is not a privatisation exercise and following the completion of the Delisting, the Shares will continue to maintain its primary listing on the Main Board of the SEHK. The Delisting will not result in the exercise of any right of compulsory acquisition by the Offeror to compulsorily acquire or squeeze-out any minority Shareholders.

The SEHK has stated that if, at the closing of the Exit Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the SEHK believes that:

- a false market exists or may exist in the trading of the Shares; or*
- there are insufficient Shares in public hands to maintain an orderly market,*

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on SEHK upon the close of the Exit Offer. The sole director of the Offeror, the Directors and the directors to be appointed to the Board (if any) will jointly and severally undertake to the SEHK to take appropriate steps to ensure that sufficient public float exists in Shares. Shareholders should be reminded of the risk of suspension in the dealings in the Shares despite such undertakings.

Shareholders should also note that pursuant to the HK Listing Rules, listing on the Main Board of the SEHK is always granted subject to the condition that where the SEHK considers it necessary for the protection of the investor or the maintenance of an orderly market, it may at any time direct a trading halt or suspend dealings in any securities or cancel the listing of any securities in such circumstances and subject to such conditions as it thinks fit, whether requested by the issuer or not. The SEHK may also do so where:–

- (1) an issuer fails, in a manner which the SEHK considers material, to comply with the HK Listing Rules; or*
- (2) the SEHK considers there are insufficient securities in the hands of the public (in the case of the Company, being less than 25% of the issued Shares); or*
- (3) the SEHK considers that the issuer does not have a sufficient level of operations or sufficient assets to warrant the continued listing of the issuer's securities; or*
- (4) the SEHK considers that the issuer or its business is no longer suitable for listing.*

The Company is not aware of any circumstances based on the above criteria that would cause the SEHK to cancel the listing status of the Company on the Main Board of the SEHK.”

9.2 The Board is aware of, and welcomes the intentions of the Offeror in respect of the Company.

10. FINANCIAL ASPECTS OF THE EXIT OFFER

10.1 Benchmarking of the Exit Offer Price

The information on the benchmarking of the Exit Offer Price has been extracted from Section 12 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“12. FINANCIAL ASPECTS OF THE EXIT OFFER

12.1 Premia over Historical Market Prices

The Exit Offer Price represents the following premia over the historical market prices of the Shares on the SGX-ST and the SEHK over various periods:

Share Prices on the SGX-ST	Share Price	Premium
<i>Last transacted price of the Shares on the SGX-ST on 12 June 2018 (being the last traded price before the Latest Practicable Date)</i>	<i>S\$0.640</i>	<i>1.6%</i>
<i>Last transacted price of the Shares on the SGX-ST on 13 March 2018 (being the Last Traded Day)</i>	<i>S\$0.495</i>	<i>31.3%</i>
<i>VWAP on the SGX-ST for the one-month period up to and including the Last Traded Day</i>	<i>S\$0.461</i>	<i>41.0%</i>
<i>VWAP on the SGX-ST for the three-month period up to and including the Last Traded Day</i>	<i>S\$0.451</i>	<i>44.1%</i>
<i>VWAP on the SGX-ST for the six-month period up to and including the Last Traded Day</i>	<i>S\$0.450</i>	<i>44.4%</i>
<i>VWAP on the SGX-ST for the one-year period up to and including the Last Traded Day</i>	<i>S\$0.509</i>	<i>27.7%</i>

<i>Share Prices on the SEHK</i>	<i>Share Price</i>	<i>Premium⁽¹⁾</i>
<i>Last transacted price of the Shares on the SEHK as at the Latest Practicable Date</i>	<i>HK\$3.810</i>	<i>1.8%</i>
<i>Last transacted price of the Shares on the SEHK on 13 March 2018 (being the Last Traded Day)</i>	<i>HK\$3.000</i>	<i>29.3%</i>
<i>Average closing price on the SEHK for the one-month period up to and including the Last Traded Day</i>	<i>HK\$2.738</i>	<i>41.7%</i>
<i>Average closing price on the SEHK for the three-month period up to and including the Last Traded Day</i>	<i>HK\$2.696</i>	<i>43.9%</i>
<i>Average closing price on the SEHK for the six-month period up to and including the Last Traded Day</i>	<i>HK\$2.750</i>	<i>41.1%</i>
<i>Average closing price on the SEHK for the one-year period up to and including the Last Traded Day</i>	<i>HK\$2.974</i>	<i>30.5%</i>

12.2 Discount to Net Asset Value

The Exit Offer Price represents a discount of approximately 53.3% to the audited consolidated net asset value per Share of S\$1.393 as at 31 December 2017, as stated in the Joint Offer Announcement.”

10.2 Net asset value of the Group as at 1QFY2018

Based on its unaudited 1QFY2018 financial statements, the Group has a net asset value attributable to the owners of the Company of approximately RMB1.3 billion or S\$278.2 million (based on an exchange rate of S\$1.00:RMB4.7893 as at 31 March 2018) and net asset value attributable to the owners of the Company per Share of approximately S\$1.42. The Exit Offer Price represents a discount of approximately 54.2% to the net asset value attributable to the owners of the Company per Share as at 31 March 2018.

10.3 Valuation of the Group’s property interest as at 30 April 2018

The Company had commissioned the Property Valuer, Cushman & Wakefield Limited, to carry out an independent valuation of the investment and development properties (including a development property held by its joint venture company (the “**Joint Venture Company Property**”) and the owner occupied properties of the Group in the PRC and in Malaysia (the “**Group Properties**”), in their existing state to determine their market value as at 30 April 2018. The full text of the Property Valuation Report is set out in **Appendix IX** to this Circular.

⁽¹⁾ For ease of comparison, the Exit Offer Price has been converted into Hong Kong dollars based on the Latest Exchange Rate. See Section 2.1 of this Exit Offer Letter for further information regarding the Exit Offer Price.

The Property Valuation Report has been prepared in accordance with the Malaysian Valuation Standards Fifth Edition 2015 published by the Board of Valuers, Appraisers and Estate Agents Malaysia; and the HKIS Valuation Standards 2017 published by the Hong Kong Institute of Surveyors. Both standards follow the International Valuation Standards Council.

Based on the Property Valuation Report, the appraised market value of the Group Properties (excluding the Joint Venture Company Property but including Weiye International Square) in their existing state attributable to the Group was RMB3.5 billion as at 30 April 2018.

As the Group adopts equity accounting for its joint venture companies and records only the cost of investment and its share of the profit and loss contributed by the joint venture companies, the Joint Venture Company Property is not consolidated in the Group's statement of financial position and therefore the appraised value of the Joint Venture Company Property has not been included in the appraised market value of the Group Properties. The appraised market value of the Joint Venture Company Property is RMB260.0 million and the Group's share of the net revaluation surplus relating to the Joint Venture Company Property represents less than 1% of the appraised market value of the Group Properties (excluding Joint Venture Company Property but including Weiye International Square) in their existing state attributable to the Group as at 30 April 2018 of RMB3.5 billion. As such the Directors and Management are of the view that the Group's share of the net revaluation surplus relating to the Joint Venture Company Property would not have a significant bearing on the revalued net asset value of the Group.

The Property Valuation Report had ascribed no commercial value to Weiye International Square as the building ownership certificate has not been obtained as at the Valuation Date. However, the Management is of the view that as the consideration of Weiye International Square has been fully paid and the building ownership will be obtained in 2018, the risks and rewards of ownership of Weiye International Square has been transferred to the Group, and therefore the book value of Weiye International Square should be included in the appraised market value of the Group Properties.

Adjusting for the appraised market value of the Group Properties in their existing state as at 30 April 2018 and excluding the changes to other line items of the statement of financial position arising from day-to-day operations in the ordinary course of business between 1 April 2018 and 30 April 2018, the revalued net asset value of the Group as at 30 April 2018 is approximately RMB2.0 billion and net asset value per Share is approximately RMB10.42 or S\$2.18 (based on an exchange rate of S\$1.00:RMB4.7799 as at 30 April 2018).

The Exit Offer Price represents a discount of approximately 70.2% to the revalued net asset value per Share as at 30 April 2018.

11. TOTAL CONSIDERATION PAYABLE UNDER THE EXIT OFFER

The information on the total consideration payable under the Exit Offer has been extracted from Section 14 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“14. TOTAL CONSIDERATION PAYABLE UNDER THE EXIT OFFER

As at the Latest Practicable Date, the Company has 196,133,152 Shares in issue. On the basis of the Exit Offer Price of S\$0.65 or HK\$3.88 and 196,133,152 Shares in issue, the total consideration payable for the entire issued share capital of the Company is S\$127,486,548.80 (or approximately HK\$760,996,630 at the Latest Exchange Rate). Excluding the 131,269,904 Shares held by Mr. Zhang and Mr. Chen who are subject to Irrevocable Undertakings, 64,863,248 Shares is the maximum number of Shares that may be tendered for acceptance under the Exit Offer, and the maximum amount of cash consideration payable under the Exit Offer by the Offeror for such Shares based on the Exit Offer Price will be S\$42,161,111.20 (approximately HK\$251,669,402 at the Latest Exchange Rate) in aggregate.”

12. CONFIRMATION OF FINANCIAL RESOURCES

The confirmation provided by the Joint Financial Advisers in relation to the sufficiency of financial resources available to the Offeror to satisfy in full all acceptances of the Exit Offer has been extracted from Section 15 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“15. CONFIRMATION OF FINANCIAL RESOURCES

The SIC has confirmed that the financial confirmation to be given by the financial advisor to the Offeror that sufficient resources are available to the Offeror to satisfy the acceptances of the Exit Offer may exclude the Shares held by Mr. Zhang and Mr. Chen. Accordingly, the maximum amount of cash consideration payable by the Offeror in connection with the Exit Offer is S\$42,161,111.20 (approximately HK\$251,669,402 at the Latest Exchange Rate) in aggregate, which will be funded by the Offeror entirely through personal resources of Mr. Zhang.

Stirling Coleman, as the Offeror’s Singapore financial adviser, confirms in accordance with the Singapore Takeover Code that, after excluding the 131,269,904 Shares held by Mr. Zhang and Mr. Chen pursuant to the Irrevocable Undertakings, sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Exit Offer.

China Galaxy, as the Offeror's Hong Kong financial adviser, is satisfied that, after excluding the 131,269,904 Shares held by Mr. Zhang and Mr. Chen pursuant to the Irrevocable Undertakings, sufficient financial resources are available to the Offeror to satisfy the consideration for full acceptances of the Exit Offer."

13. EFFECT ON SHAREHOLDERS

13.1 Implications of the Delisting for HK Branch Registered Shareholders and Singapore Registered Shareholders

If the Delisting were to proceed and if HK Branch Registered Shareholders wish to transfer their Shares to the Singapore Register for any reason, the latest date they may do so is ten (10) Business Days before the last date of trading of Shares on the SGX-ST to allow for sufficient time for the Shares to be transferred to the Singapore Register and deposited with the CDP for trading to be able to be done on the SGX-ST.

As the Company will not be seeking a suspension of trading of the Shares on the SEHK, Singapore Registered Shareholders who wish to avail themselves to the Exit Offer Price in Hong Kong, shall only be required to register their Shares in the Hong Kong Register on or before the Closing Date.

13.2 Implications of the Delisting for HK Branch Registered Shareholders and Singapore Registered Shareholders

Shareholders who currently trade their Shares on the SGX-ST and who do not accept the Exit Offer will be able to continue trading their Shares on the Main Board of the SEHK subsequent to the completion of the Delisting as their Shares will be automatically transferred, at the Company's cost, from the Singapore Register to the HK Branch Register. The Company will issue new share certificates in respect of such Shareholders' Shares registered on the HK Branch Register and the Branch Share Registrar and Transfer Office in Hong Kong will mail the new share certificates by ordinary post to the mailing addresses of Shareholders as they appear in the Address Notification Form submitted to the Company, at such Shareholders' own risk. The new share certificates to be issued to such Shareholders are identical to the existing share certificates registered in the HK Branch Register. Such Shareholders' existing share certificates in respect of their Shares registered on the Singapore Register will be automatically cancelled and become invalid for delivery, trading and settlement. Shareholders who have not submitted the Address Notification Form to the Company three (3) Business Days before the date of the Delisting will have their new share certificates delivered by ordinary post, at their own risk, to their registered addresses as set out in the records of the Company and/or CDP.

Upon setting up investor participant stock account in CCASS with the HKSCC or stock account with designated CCASS participants, through brokerage firms in Hong Kong or Singapore which offer such services, and depositing their Shares into CCASS for credit to their

investor participant stock account or their designated CCASS participant stock account thereafter, Shareholders will be able to trade their Shares on the Main Board of the SEHK. The costs of setting up investor stock accounts in CCASS or stock accounts with designated CCASS participants will be borne by the Shareholder.

13.3 Compulsory Acquisition

The information relating to the Offeror's rights of compulsory acquisition under the Singapore Companies Act has been extracted from Section 9 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“9. COMPULSORY ACQUISITION

9.1 Pursuant to Section 215(1) of the Singapore Companies Act, in the event that the Offeror receives valid acceptances pursuant to the Exit Offer (or otherwise acquires Shares during the period that the Exit Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those Shares already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding treasury Shares), the Offeror will be entitled to compulsorily acquire all the Offer Shares from Shareholders who have not accepted the Exit Offer on the same terms as those offered under the Exit Offer. For the avoidance of doubt, Mr. Zhang's and Mr. Chen's shareholdings will not be treated as Shares held by the Offeror, its related corporations or their respective nominees for the purposes of Section 215(1) of the Singapore Companies Act.

Pursuant to Rule 2.11 of the HK Takeovers Code, except with the consent of the Executive, where any person seeks to acquire or privatise a company by means of an offer and the use of compulsory acquisition rights, such rights may only be exercised if, in addition to satisfying any requirements imposed by law, acceptances of the offer and purchases (in each case of the disinterested shares) made by the Offeror and persons acting in concert with it during the period of four (4) months after the posting of the initial offer document total 90% of the disinterested shares.

As it is the intention of the Offeror to preserve the primary listing status of the Shares on the Main Board of the SEHK following the completion of the Delisting, the Offeror does not intend to exercise any rights of compulsory acquisition under Section 215(1) of the Singapore Companies Act and Rule 2.11 of the HK Takeovers Code respectively.

9.2 *In addition, Shareholders who do not accept the Exit Offer have the right under and subject to Section 215(3) of the Singapore Companies Act, to require the Offeror to acquire their Shares at the Exit Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Exit 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 (excluding treasury Shares). For the avoidance of doubt, Mr. Zhang’s and Mr. Chen’s shareholdings will not be treated as Shares held by the Offeror, its related corporations or their respective nominees for the purposes of Section 215(3) of the Singapore Companies Act. Shareholders who wish to exercise such right are advised to seek their own independent legal advice. However, pursuant to the Irrevocable Undertakings, the maximum number of Shares which the Offeror would hold upon completion of the Exit Offer is 68,863,248 Shares, being 33.07% of the total number of issued Shares (excluding treasury Shares). As this falls below 90% of the total number of issued Shares (excluding treasury Shares), Shareholders who do not accept the Exit Offer would not be able to exercise the aforementioned right under Section 215(3) of the Singapore Companies Act to require the Offeror to acquire their Shares at the Exit Offer Price.”*

14. OVERSEAS SHAREHOLDERS

14.1 The information relating to the availability of the Exit Offer to the Shareholders who are not resident in Hong Kong or Singapore has been extracted from Section 17 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“17. OVERSEAS SHAREHOLDERS

17.1 Overseas Shareholders

The Offeror intends to make the Exit Offer available to all Shareholders. The availability of the Exit Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements and restrictions in the relevant overseas jurisdictions, and exercise caution in relation to the Exit Offer.

17.2 Responsibility of Overseas Shareholders

It is the responsibility of any Overseas Shareholder who (a) receives copies of this Exit Offer Letter, the relevant Acceptance Form and the Circular, and/or (b) accepts 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 governmental or any other consents 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 Offeror, the Joint Financial Advisers, CDP, the Principal Share Registrar in Singapore, the Branch Share Registrar and Transfer Office in Hong Kong and/or any person acting on his behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, the Joint Financial Advisers, CDP, the Principal Share Registrar in Singapore, the Branch Share Registrar and Transfer Office in Hong Kong and/or any person acting on his behalf may be required to pay. In (a) receiving copies of this Exit Offer Letter, the relevant Acceptance Form and the Circular and/or (b) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, the Joint Financial Advisers, CDP, the Principal Share Registrar in Singapore and the Branch Share Registrar and Transfer Office in Hong Kong 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.***

17.3 Notice to US holders of Shares

The Circular, Exit Offer Letter and Acceptance Forms relate to the Delisting of the Shares of the Company from the Official List of the Main Board of the SGX-ST and the offer by the Offeror to acquire all of the Company's Offer Shares on the terms described therein. You are receiving these materials because you have been identified as a holder of the Shares.

The Company is organized under the laws of Singapore. The Exit Offer is being made in accordance with the requirements of the SGX-ST Listing Manual, the Singapore Takeover Code and the HK Takeovers Code. Accordingly, the Exit Offer is subject to disclosure and procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments, that are different from those applicable under tender offer procedures conducted under United States federal securities law.

If you wish to accept the Exit Offer, it is your responsibility to satisfy yourself as to the full observance of the laws of the United States in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and compliance with other necessary formalities or legal requirements. You are advised to seek professional advice on deciding whether to accept the Exit Offer.

The Shares have not been and will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Neither the Securities and Exchange Commission nor any state securities commission in the United States has approved or disapproved of the shares or passed upon the adequacy or accuracy of the Exit Offer Letter, the Circular or the Acceptance Forms or the information contained therein. Any representation to the contrary is a criminal offense.

The Circular, Exit Offer Letter and Acceptance Forms are being delivered to you as an holder of Shares and do not constitute an offer to any other person or to the public generally to purchase or subscribe for Shares. Distribution of Circular, Exit Offer Letter and Acceptance Forms to any person other than those persons, if any, that you retain to advise you in connection with the Exit Offer is unauthorized, and any other disclosure of any of their contents without the prior written consent of the Company is prohibited.

The financial information included in the Circular has been prepared in accordance with Singapore Financial Reporting Standards and thus may not be comparable to financial information of United States companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. The financial statements are presented in Singapore dollars.

The sale of Shares pursuant to the Exit Offer may have tax consequences for United States citizens or residents. Those tax consequences are not described in the Exit Offer Letter or the Circular. You should consult your own tax advisor concerning the transactions described therein.

It may be difficult for US holders of the Shares to enforce their rights and any claims arising under United States federal securities laws, since both the Offeror and the Company are located in countries other than the United States, and some or all of their officers and directors may be residents of a country other than the United States. US holders of the Shares may not be able to sue the Company or its officers or directors in a non-US court for violations of United States securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a United States court's jurisdiction.

17.4 Notice to UK holders of Shares

*This document is a financial promotion, the communication of which is restricted in the United Kingdom by section 21 of the Financial Services and Markets Act 2000 (“FSMA”) unless the communication is either: (a) issued or approved by a person authorised under FSMA (an “**Authorised Person**”); or (b) falls within an exemption set out in the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the “**FPO**”). In reliance on the exemption set out in Article 62 (Sale of a Body Corporate) of the FPO, this communication has not been issued or approved by an Authorised Person for the purposes of section 21 of FSMA.*

17.5 Notice to PRC holders of Shares

If the failure of the service cannot be attributed to the Company who serves the Circular and the Exit Offer Letter (including but not limited to such conditions that you, being the holder of the Shares, have provided the wrong consignee information, or refuse to receive the Circular and the Exit Offer Letter, or cannot be located etc.), then the Circular and the Exit Offer Letter will be deemed to have been served, and you shall be responsible for the risks and consequences.

17.6 Notice to Indonesia holders of Shares

Shareholders residing in the Republic of Indonesia who wish to accept the Exit Offer should sign the relevant Acceptance Form before a local notary having jurisdiction to practice over the signing location for the purpose of verifying the correctness and the validity of the signature. The Acceptance Form so signed should also be legalized by (1) the Ministry of Law and Human Rights of the Republic of Indonesia, (2) the Ministry of Foreign Affairs of the Republic of Indonesia, and (3) the Embassy of the Republic of Indonesia in Singapore or the Embassy of the Republic of Singapore in Indonesia. The relevant Shareholder shall bear all the costs involved in complying with the above formalities. An Acceptance Form signed by a shareholder residing in the Republic of Indonesia will only be considered valid if, at the time of receipt of the Acceptance Form by or on behalf of the Offeror, the above formalities have been fully complied with.”

15. INFORMATION RELATING TO CPFIS INVESTORS

15.1 The information pertaining to CPFIS Investors has been extracted from Section 18 of the Exit Offer Letter and is reproduced in italics below. All terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated.

“18. INFORMATION PERTAINING TO CPFIS INVESTORS

CPFIS Investors should receive further information on how to accept the Exit Offer from their respective CPF Agent Banks shortly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Exit Offer are to reply to their respective CPF Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks. Subject to the Exit Offer becoming or being declared unconditional in all respects in accordance with its terms, CPFIS Investors who accept the Exit Offer will receive payment of the Exit Offer Price in respect of their Offer Shares in their CPFIS accounts. Following the completion of the Delisting, the Shares cannot be deposited with CDP and the Company will arrange to forward the individual share certificates representing the Offer Shares held by individual CPFIS Investors who do not accept the Exit Offer to their respective CPF Agent Banks for safe-keeping. CPFIS Investors will not be allowed to use funds from their CPF accounts for further purchases

*of the Shares because under the Central Provident Fund (Investment Schemes) Regulations, CPF funds may only be invested in the shares of companies incorporated in Singapore that are listed on the SGX-ST, traded in Singapore dollars and included under the CPFIS. Please refer to **Appendix 2** to this Exit Offer Letter for further details relating to CPFIS Investors who do not accept the Exit Offer.”*

- 15.2** Please refer to Appendix 2 to the Exit Offer Letter for further details relating to CPFIS Investors who do not accept the Exit Offer.

16. ADVICE OF IFAS

- 16.1** The Board has appointed ZICO Capital Pte. Ltd. as the Singapore IFA to advise the Independent Board Committee for the purposes of making their recommendation in connection with the Exit Offer. The appointment of ZICO Capital Pte. Ltd. as the Singapore IFA has been approved by the Board and the Independent Board Committee.

- 16.2** An extract of the Singapore IFA Letter setting out the opinion of the Singapore IFA in respect of the Exit Offer is reproduced in italics below. Shareholders should read the following in conjunction with, and in the context of, the full text of the Singapore IFA Letter in **Appendix I** to this Circular. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall have the same meanings as defined in the Singapore IFA Letter.

“Based on our analysis, and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Exit Offer are fair and reasonable and are not prejudicial to the interests of the Company and the Independent Singapore Shareholders.

Accordingly, we advise the Independent Board Committee to recommend that Independent Singapore Shareholders vote in favour of the Delisting Resolution. On the same bases, Independent Singapore Shareholders can consider accepting the Exit Offer.

In the event that the market price of the Shares exceeds the Exit Offer Price during the period when the Exit Offer is open for acceptance and the sales proceeds (net of transaction costs) exceeds the amount receivable under the Exit Offer, Independent Singapore Shareholders can consider not accepting the Exit Offer and sell their Shares in the market if they are able to do so.

Notwithstanding that the financial terms of the Exit Offer are, on balance, fair and reasonable, Independent Singapore Shareholders who are confident and optimistic about the prospects of the Group following the Delisting, and who are prepared to hold listed Shares on the SEHK, can consider not accepting the Exit Offer.”

16.3 The full text of the Singapore IFA Letter containing its recommendation to the Independent Board Committee is set out in **Appendix I** to this Circular.

16.4 The Board has appointed Ballas Capital Limited as the HK IFA to advise the Independent Board Committee for the purposes of making their recommendation in connection with the Exit Offer pursuant to the HK Takeovers Code. The appointment of Ballas Capital Limited as the HK IFA has been approved by the Board and the Independent Board Committee.

16.5 An extract of the HK IFA Letter setting out the opinion of the HK IFA in respect of the Exit Offer is reproduced in italics below. Shareholders should read the following in conjunction with, and in the context of, the full text of the HK IFA Letter in **Appendix II** to this Circular. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall have the same meanings as defined in the HK IFA Letter.

“Based on our analysis, and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the view that the terms of the Exit Offer are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend to the Independent Shareholders to accept the Exit Offer.

Nevertheless, Independent Shareholders who wish to realise all or part of their investment in the Shares should monitor the Share price performance during the period of the Exit Offer. In the event that the market price of the Shares exceeds the Exit Offer Price and the net proceeds from the sale of Shares in the open market after deducting all related costs exceed the amount receivable from the Exit Offer, Independent Shareholders should consider selling their Shares in the open market rather than accepting the Exit Offer. In any event, Independent Shareholders should note that there is no certainty that the current trading volume and/or current trading price level of the Shares will be sustainable during and after the period for the acceptance of the Exit Offer. Independent Shareholders should also note that the Exit Offer is subject to the satisfaction of the Condition by the Long-Stop Date of 30 September 2018. Accordingly, the Exit Offer may or may not become unconditional.

As set out in the Letter to the Shareholders, the Offeror intends to preserve the listing status of the Company on the Main Board of the SEHK following the completion of the Delisting. Shareholders should note that the Delisting is not a privatisation exercise and following the completion of the Delisting, the Shares will continue to be listed on the Main Board of the SEHK.”

16.6 The full text of the HK IFA Letter containing its recommendation to the Independent Board Committee is set out in **Appendix II** to this Circular.

17. INDEPENDENT BOARD COMMITTEE’S RECOMMENDATION

17.1 Independent Board Committee’s Recommendation Pursuant to the HK Takeovers Code and the Singapore Takeover Code

17.1.1 Pursuant to the HK Takeovers Code, an Independent Board Committee, which comprises all the non-executive Directors, has been established to advise and make its recommendation to the Shareholders in respect of the Exit Offer and the Delisting.

17.1.2 The Directors who constitute the Independent Board Committee are the same Directors who are considered independent under the Singapore Takeover Code for the purposes of making a recommendation to Independent Shareholders in respect of the Exit Offer and the Delisting. As such, the Independent Board Committee's recommendation is made pursuant to both the Singapore Takeover Code and the HK Takeovers Code.

17.1.3 Pursuant to Rule 24.1 of the Singapore Takeover Code, save for Mr. Zhang and Mr. Chen, all the Directors are independent for the purposes of the Exit Offer and the Delisting and are required to make a recommendation to Shareholders in respect of the Exit Offer and the Delisting. The SIC has ruled on 20 June 2017 and 13 March 2018 that Mr. Zhang and Mr. Chen are exempted from the requirement to make a recommendation on the Exit Offer to Shareholders as they face irreconcilable conflicts of interest in doing so, being concert parties of the Offeror. As Directors, Mr. Zhang and Mr. Chen face irreconcilable conflicts of interest for the following reasons:

- (a) Mr. Zhang faces an irreconcilable conflict of interest because he is the sole director and sole shareholder of the Offeror.
- (b) Mr. Chen faces an irreconcilable conflict of interest because he is acting in concert with Mr. Zhang in relation to the Exit Offer.

Mr. Zhang and Mr. Chen must, nonetheless, still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.

17.1.4 The Independent Board Committee has reviewed the rationale for and the terms of the Delisting Proposal and the Exit Offer and carefully considered the factors and reasons considered by, and the opinion of, the Singapore IFA and the HK IFA as set out in Appendices I and II to the Circular respectively. The Independent Board Committee unanimously concurs with the assessment of the respective IFAs and their recommendations thereon. Accordingly, the Independent Board Committee recommends that the Independent Shareholders vote in favour of the Delisting Resolution at the EGM and accept the Exit Offer.

Assuming that the Delisting Proposal was approved at the EGM, in the event that the market price of the Shares exceeds the Exit Offer Price during the period when the Exit Offer is open for acceptance and the sales proceeds (net of transaction costs) exceeds the amount receivable under the Exit Offer, Independent Shareholders should consider not accepting the Exit Offer and consider seeking to sell their Shares in the market if they are able to do so.

Assuming that the Delisting Proposal was approved at the EGM, Independent Shareholders who, having taken the Exit Offer Price into consideration, would like to hold the Shares for a longer term and who are confident and optimistic about their equity investments in the Company and the prospects of the Group following the Delisting, and are ready to hold Shares listed on the Main Board of the SEHK should consider not accepting the Exit Offer.

17.1.5 The letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out in **Appendix III** to this Circular.

17.2 In rendering the above opinion and giving the above recommendations, the Independent Board Committee has not had regard to the specific investment objectives, financial situation, tax status, risk profiles or unique needs and constraints or particular circumstances of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Independent Board Committee recommends that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

18. EGM

The EGM, notice of which is set out on page 409 of this Circular, will be held on 24 July 2018 at 10:00 a.m. (Hong Kong and Singapore time) at Phonies II Meeting Room, 6th floor, Novotel Singapore Clarke Quay Hotel, 177A River Valley Road, Singapore 179031. for the purpose of considering and, if thought fit, passing, on a poll, with or without any modification, the Delisting Resolution set out in the Notice of EGM.

In order to be entitled to attend and vote at the EGM, all transfers, accompanied by relevant Share certificates:

- (a) in respect of Shares registered on the Singapore Share Register, should be lodged with RHT Corporate Advisory Pte. Ltd. at 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619, no later than 5:00 p.m. (Hong Kong and Singapore Time) on 20 July 2018; and
- (b) in respect of Shares registered on the HK Branch Register, should be lodged with Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. (Hong Kong and Singapore Time) on 18 July 2018.

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf must complete, sign and return the proxy form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the Principal Share Registrar in Singapore or the Branch Share Registrar and Transfer Office in Hong Kong no later than 48 hours before the time fixed for the EGM.

A Depositor shall not be regarded as a Shareholder and is not entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM.

19. COURSES OF ACTION AVAILABLE TO SHAREHOLDERS

19.1 Acceptance Forms

- (a) If you hold Offer Shares that are deposited with CDP, you should receive a SG FAA together with the Exit Offer Letter. If you have not received the SG FAA, you may obtain a copy of the SG FAA from the Offeror c/o CDP, at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588, upon production of satisfactory evidence that you are a Depositor holding Offer Shares through CDP.
- (b) If you are a Singapore Registered Shareholder, you should receive a SG FAT together with the Exit Offer Letter. If you have not received a SG FAT, you may obtain a copy of the SG FAT from the office of the Principal Share Registrar in Singapore, RHT Corporate Advisory Pte. Ltd. at 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619, upon production of satisfactory evidence that you are a Singapore Registered Shareholder.
- (c) If you are a HK Branch Registered Shareholder, you should receive a HK FAT together with the Exit Offer Letter. If you have not received a HK FAT, you may obtain a copy of the HK FAT from the office of the Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, upon production of satisfactory evidence that you are a HK Branch Registered Shareholder.
- (d) If you are a HK Branch Registered Shareholder holding your Shares through a nominee or in CCASS, please instruct your nominee company, or other nominee to elect to accept the Exit Offer in accordance with instructions given by your nominee or CCASS nominees.

19.2 Acceptance of the Exit Offer

The Exit Offer may only be accepted by the relevant Shareholder (or, as the case may be, the Depositor holding Offer Shares through CDP) to whom the Exit Offer Letter is addressed. **Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptance is conditional upon the Condition being fulfilled on or before the Long-Stop Date. Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Condition will not be satisfied, the Delisting will not proceed and the Company will remain listed on the Official List of the Mainboard of the SGX-ST and on the Main Board of the SEHK. The Exit Offer will lapse and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder. The Offer Shares in respect of which acceptances have been received shall be returned to the relevant Shareholders in accordance with the procedures set out in the Exit Offer Letter and the relevant Acceptance Forms.**

SHAREHOLDERS SHOULD NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER.

19.3 Courses of Action in relation to the Exit Offer

Shareholders

- (a) If you decide to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in the Exit Offer Letter and the relevant Acceptance Form during the period commencing from the date of despatch of the Exit Offer Letter and ending at 4.00 p.m. (Hong Kong and Singapore time) on the Closing Date.

If you are a Singapore Registered Shareholder and wish to accept the Exit Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending at 4.00 p.m. (Hong Kong and Singapore Time) on the Closing Date (both dates inclusive) as the “Free Balance” of your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the relevant Exit Offer.

The detailed procedures for acceptance of the Exit Offer are set out in Appendices 2 and 3 to the Exit Offer Letter.

- (b) If you decide not to accept the Exit Offer, you do not have to take any action.
 - (i) If you are a Depositor, your Shares will be removed from CDP and automatically transferred, at the Company’s cost, from the Singapore Register to the HK Branch Register, and the Company will issue and mail by ordinary post to your mailing address as it appears in the Address Notification Form submitted to the Company, at your own risk, new share certificates in respect of your Shares registered on the HK Branch Register. The new share certificates to be issued to such Shareholders are identical to the existing share certificates registered in the HK Branch Register. If you have not submitted the Address Notification Form to the Company three (3) Business Days before the date of the Delisting, your new share certificates will be delivered by ordinary post, at your own risk, to your registered address as set out in the records of the Company and/or CDP.

Upon setting up investor participant stock account in CCASS with the HKSCC or stock account with designated CCASS participants, through brokerage firms in Hong Kong or Singapore which offer such services and depositing your Shares into CCASS for credit to your investor participant stock account or designated CCASS participant stock account thereafter, you will be able to trade your Shares on the Main Board of the SEHK. The costs of setting up investor stock accounts in CCASS or stock accounts with designated CCASS participants will be borne by you.

- (ii) If you are a Singapore Registered Shareholder, your Shares will be automatically transferred, at the Company's cost, from the Singapore Register to the HK Branch Register, and the Company will issue and mail by ordinary post to your mailing address as it appears in the Address Notification Form submitted to the Company, at your own risk, new share certificates in respect of your Shares registered on the HK Branch Register. The new share certificates to be issued to such Shareholders are identical to the existing share certificates registered in the HK Branch Register. If you have not submitted the Address Notification Form to the Company three (3) Business Days before the date of the Delisting, your new share certificates will be delivered by ordinary post, at your own risk, to your address as set out in the records of the Company. Your existing share certificates in respect of your Shares registered on the Singapore Register will also be automatically cancelled and become invalid for delivery, trading and settlement.

Upon setting up investor participant stock account in CCASS with the HKSCC or stock account with designated CCASS participants, through brokerage firms in Hong Kong or Singapore which offer such services, and depositing your Shares into CCASS for credit to your investor participant stock account or designated CCASS participant stock account thereafter, you will be able to trade your Shares on the Main Board of the SEHK. The costs of setting up investor stock accounts in CCASS or stock accounts with designated CCASS participants will be borne by you.

- (iii) **If you are a HK Branch Registered Shareholder or hold your Shares through a nominee arrangement in CCASS**, nothing will change and you will continue as a Shareholder as you did prior to the Delisting for as long as you hold Shares in the Company. Your existing share certificates in respect of Shares registered in the HK Branch Register will still be valid for delivery, trading and settlement purposes.

Any inquiries relating to the transfer of Shares from the Singapore Register to the HK Branch Register should be directed during office hours to the Principal Share Registrar in Singapore and the Branch Share Registrar and Transfer Office in Hong Kong:

**Principal Share
Registrar in Singapore**

RHT Corporate Advisory Pte. Ltd.
Telephone: (65) 6381 6888

**Branch Share Registrar and
Transfer Office in Hong Kong**

Tricor Investor Services Limited
Telephone: (852) 2980 1333

20. DIRECTORS' RESPONSIBILITY STATEMENTS

20.1 Pursuant to the HK Takeovers Code:

All Directors jointly and severally accept full responsibility for the accuracy of information contained in this Circular (other than information relating to the Relevant Persons or other information which is directly extracted from the Exit Offer Letter which all the Directors jointly and severally take responsibility for the correctness and fairness of its reproduction or presentation) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Circular have been arrived at after due and careful consideration and there are no other facts not contained in this Circular, the omission of which would make any statement in this Circular misleading.

20.2 Pursuant to the SGX-ST Listing Manual:

The Directors (including any Director who may have delegated detailed supervision of the preparation of this Circular) collectively and individually accept full responsibility for the accuracy of the information given in this Circular (other than information relating to the Relevant Persons or other information which is directly extracted from the Exit Offer Letter which all the Directors jointly and severally take responsibility for the correctness and fairness of its reproduction or presentation) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Delisting, the Exit Offer, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source (including, without limitation, information in relation to the Relevant Persons, the Undertaking Shareholders and the Joint Financial Advisers), 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 Circular in its proper form and context.

20.3 Recommendations of the Independent Board Committee

The recommendations of the Independent Board Committee to the Independent Shareholders in this Circular are the sole responsibility of the Independent Board Committee.

21. CONSENTS

21.1 Consent of Singapore IFA

ZICO Capital Pte. Ltd., as the Singapore IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of the Singapore IFA Letter and the letter dated 20 June 2018 from the Singapore IFA to the Company on the unaudited consolidated financial statements of the Group for the three months ended 31 March 2018 as set out in **Appendix XI** to this Circular (the “**Singapore IFA Opinion**”), and all references to the Singapore IFA Letter, the Singapore IFA Opinion and its name in the form and context in which they appear in this Circular.

21.2 Consent of HK IFA

Ballas Capital Limited, as the HK IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of the HK IFA Letter, and all references to the HK IFA Letter and its name in the form and context in which they appear in this Circular.

21.3 Consent of Property Valuer

Cushman & Wakefield Limited has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of the Property Valuation Report, and all references to the Property Valuation Report and its name in the form and context in which they appear in this Circular.

21.4 Consent of KPMG

KPMG LLP, as the Auditor, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of the report on review of the condensed consolidated interim financial information of the Group for the three months ended 31 March 2018 dated 25 May 2018 (“**Report on Review of the Condensed Consolidated Interim Financial Information**”), and all references to the Report on Review of the Condensed Consolidated Interim Financial Information and its name in the form and context in which they appear in this Circular.

22. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection (i) during normal business hours from 8:30 a.m. to 5:30 p.m. at the registered office of the Company in Singapore at 100H Pasir Panjang Road, #01-01, OC @ Pasir Panjang, Singapore 118524; and (ii) during normal business hours from 8:30 a.m. to 5:30 p.m. at the office of the Company in Hong Kong at Unit 912, 9/F, Two Harbourfront, 22 Tak Fung Street, Hunghom, Kowloon, Hong Kong, from the date hereof for so long as the Exit Offer remains open for acceptance and will be displayed on the website of the Company at <http://www.weiyeholdings.com> and on the website of the SFC at <http://www.sfc.hk>:

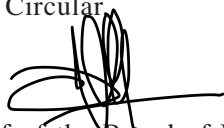
- (a) the Constitution of the Company;
- (b) the annual reports of the Company for FY2016 and FY2017;
- (c) the Report on Review of the Condensed Consolidated Interim Financial Information and the unaudited consolidated financial statements of the Group for 1QFY2018, the text of which is set out in **Appendix III** to this Circular;;
- (d) the letter from the Board to the Shareholders, the text of which is set out in Sections 1 to 23 in “Letter to Shareholders” of this Circular;
- (e) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out in **Appendix III** to this Circular;

- (f) the Singapore IFA Letter to the Independent Board Committee, the text of which is set out in **Appendix I** to this Circular;
- (g) the HK IFA Letter to the Independent Board Committee, the text of which is set out in **Appendix II** to this Circular;
- (h) the Singapore IFA Opinion to the Company, the text of which is set out in **Appendix XI** to this Circular;
- (i) the Irrevocable Undertakings;
- (j) Property Valuation Report, as set out in **Appendix IX** to this Circular;
- (k) the letters of consent referred to in Section 21 in “Letter to Shareholders” of this Circular; and
- (l) the Directors’ service contracts referred to under Section 9 titled “Directors’ service contracts” in **Appendix V** to this Circular.

23. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices which form part of this Circular.

Yours faithfully



For and on behalf of the Board of Directors of

WEIYE HOLDINGS LIMITED

Ong Kian Guan

Lead Independent Non-Executive Director