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**FINE SKILL HOLDINGS LIMITED**  
(Incorporated in the British Virgin Islands)  
(Company Registration No. 1941707)

**WEIYE HOLDINGS LIMITED**  
**偉業控股有限公司\***

(Incorporated in Singapore on 2 August 1984)  
(Company Registration No. 198402850E)

Hong Kong Stock Code: 1570  
Singapore Stock Code: BMA

\* For identification purpose only.

## JOINT ANNOUNCEMENT IN RELATION TO:

- (1) THE PROPOSED CONDITIONAL CASH EXIT OFFER BY THE JOINT FINANCIAL ADVISERS FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY; AND
- (2) THE PROPOSED VOLUNTARY DELISTING OF THE SHARES OF THE COMPANY FROM THE OFFICIAL LIST OF THE SGX-ST

### Joint Financial Advisers to the Offeror



**中國銀河國際**  
**CHINA GALAXY INTERNATIONAL**  
**CHINA GALAXY INTERNATIONAL**  
**SECURITIES (HONG KONG) CO., LIMITED**  
(Incorporated in Hong Kong)



(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200105040N)  
[www.stirlingcoleman.com](http://www.stirlingcoleman.com)

**STIRLING COLEMAN**  
**CAPITAL LIMITED**  
(Incorporated in Singapore)

### Independent Financial Advisers to the Company

**BALLAS**  
CAPITAL  
**BALLAS CAPITAL LIMITED**  
(Incorporated in Hong Kong)

 **ZICO** | capital  
**ZICO CAPITAL PTE. LTD.**  
(Incorporated in Singapore)

## SUMMARY

On 13 March 2018, the Offeror presented to the Board the Delisting Proposal to seek the voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual.

Pursuant to the Delisting Proposal, the Joint Financial Advisers, for and on behalf of the Offeror, will make the Exit Offer to acquire all the issued Shares.

### **The Exit Offer and the Delisting**

As at the Announcement Date, the Shares are primarily listed and quoted on the Official List of the SGX-ST and on the Main Board of the SEHK. **The Delisting is not a privatisation exercise and following the completion of the Delisting, the Company will continue to 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. The Company will issue new share certificates in respect of such Shareholders' Shares registered on the HK Branch Register and the Hong Kong Branch Share Registrar will mail the new share certificates by ordinary post to the mailing addresses of the Shareholders as they appear in the Address Notification Form submitted to the Company, at such Shareholders' own risk. Shareholders who do not submit the Address Notification Form to the Company 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. Shareholders will thereafter be able to trade their Shares freely on the Main Board of the SEHK upon setting up investor participant stock accounts in CCASS with the HKSCC or stock accounts with designated CCASS participants, either 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 accounts or their designated CCASS participant stock accounts thereafter. Further details will be set out in the Circular.

**The Exit Offer will be made at S\$0.65 or HK\$3.88 in cash for each Offer Share. 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.**

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, the 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. Further details will be contained in the Exit Offer Letter.

## **Condition of the Exit Offer and the Delisting**

The Exit Offer and the Delisting are subject to the satisfaction of the Condition (as described in Section 3.2 of this Announcement) by the Long-Stop Date of 30 September 2018, such Condition being the approval of the Delisting Resolution by the Shareholders at the EGM, whereby (i) 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, (ii) 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 and (iii) confirmation from the SGX-ST that it has no objection to the proposed Delisting, subject to the Shareholders' approval of the Delisting Resolution.

If the Condition has not been satisfied by the Long-Stop Date, the Exit Offer will automatically lapse and the Delisting will not proceed.

## **Irrevocable Undertakings**

As at the Announcement Date, Mr. Zhang and Mr. Chen holding in aggregate 131,269,904 Shares, representing approximately 66.93% of the total number of issued Shares, have provided irrevocable undertakings to the Offeror, whereby each of Mr. Zhang and Mr. Chen has irrevocably undertaken, amongst other things: (a) 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; (b) not to accept the Exit Offer in respect of all or any of their Shares; and (c) save for any Encumbrances arising from or in connection with the ZW Charge (as defined in Appendix 2) and CZY Charge (as defined in Appendix 2) in relation to Mr. Zhang and Mr. Chen, 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.

## **Confirmation of Financial Resources**

China Galaxy, as the Offeror's Hong Kong financial adviser, is satisfied that, after excluding the 131,269,904 Shares held in aggregate 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.

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 in aggregate 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.

## **Independent Board Committee**

Pursuant to the Singapore Takeover Code and the HK Takeovers Code, an Independent Board Committee, which comprises all the non-executive Directors, has been established to advise and make its recommendation on the Exit Offer and the Delisting to the Independent Shareholders. 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 on the Exit Offer and the Delisting will be made pursuant to both the HK Takeovers Code and the Singapore Takeover Code. The recommendation of the Independent Board Committee will be set out in the Circular.

## **Appointment of IFAs**

The Board has appointed ZICO Capital Pte. Ltd. as the Singapore IFA to advise the Independent Board Committee and the Independent Shareholders for the purposes of making a recommendation in connection with the Exit Offer in Singapore and the Delisting pursuant to the Singapore Takeover Code. The appointment of ZICO Capital Pte. Ltd. as the Singapore IFA has been approved by the Independent Board Committee.

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

## **Despatch of the Exit Offer Letter and the Circular**

Pursuant to Rule 8.2 of the HK Takeovers Code, the Exit Offer Letter setting out, amongst other things, details of the Exit Offer (including the expected timetable and terms of the Exit Offer), together with the relevant form(s) of acceptance, must be despatched to the Shareholders by the Offeror within **twenty-one (21) days** of the Announcement Date or such later date as the Executive may approve. It is intended that the Circular setting out, amongst other things, (i) details of the Exit Offer (including the expected timetable and terms of the Exit Offer), (ii) further information on the Delisting, (iii) letters of advice from the respective IFAs to the Independent Board Committee in relation to the Exit Offer and the Delisting, (iv) the recommendation from the Independent Board Committee in relation to the Exit Offer and the Delisting and (v) the notice of the EGM, will be despatched to the Shareholders on the same day as the Exit Offer Letter or such later date as the Executive may approve.

## **WARNING**

**Shareholders and potential investors should be aware that the Exit Offer is subject to the Condition being satisfied and thus the Exit Offer may or may not become or be capable of being declared unconditional in all respects and the Delisting may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares or other rights in respect of them, and to refrain from taking any action which may be prejudicial to their interests. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.**

This Announcement does not constitute an offer for or an invitation to purchase any securities. The Exit Offer will be made solely by the Exit Offer Letter and the relevant form(s) of acceptance accompanying the Exit Offer Letter, which will contain the full terms and conditions of the Exit Offer including details of how to elect to participate in it.

### **Notice to US holders of Shares**

This Announcement is not an offer to purchase the Shares.

The Exit Offer will be 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 will be 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 US domestic tender offer procedures and law.

The sale of Shares pursuant to the Exit Offer may have tax consequences for US citizens or residents. Those tax consequences are not described in this Announcement. 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 US federal securities laws, since both the Offeror and the Company are located in countries other than the US, and some or all of their officers and directors may be residents of a country other than the US. 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 US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's jurisdiction.

**The Exit Offer has not been and will not be registered under the Securities Act of 1933 as amended (the "Securities Act") or the securities laws of any state of the US, and may not be offered within the US 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 US has approved or disapproved of the Exit Offer or passed upon the adequacy or accuracy of the information in this press release. Any representation to the contrary is a criminal offence.**

This Announcement contains forward-looking statements, which may be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "seek", "estimate", "will", "would" or words of similar meaning, that involve risks and uncertainties, as well as assumptions, that, if they were to materialise or prove incorrect, could cause the results of the Company and its consolidated subsidiaries to differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company shall update these statements to ensure they remain accurate and up to date and will notify Shareholders of any material changes as soon as possible in accordance with Rule 9.1 of the HK Takeovers Code.

## 1. INTRODUCTION

### 1.1 Delisting Proposal

On 13 March 2018, the Offeror presented to the Board the Delisting Proposal to seek the voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual.

As at the Announcement Date, the Shares are primarily listed and quoted on the Official List of the SGX-ST and on the Main Board of the SEHK. **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.**

China Galaxy and Stirling Coleman are the Hong Kong financial adviser to the Offeror and the Singapore financial adviser to the Offeror respectively.

### 1.2 Exit Offer

Under the Delisting Proposal, the Joint Financial Advisers, for and on behalf of the Offeror, will make the Exit Offer to acquire all the issued Shares.

### 1.3 Extraordinary General Meeting

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 in due course to seek the approval of Shareholders for the Delisting.

## 2. SGX-ST LISTING MANUAL PROVISIONS PERTAINING TO THE EXIT OFFER AND THE DELISTING

### 2.1 Rule 1307 of the SGX-ST Listing Manual

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 SGX-ST, provided that:

2.1.1 the Company convenes an EGM to obtain approval from the Shareholders of the Delisting Resolution;

2.1.2 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

2.1.3 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.

Under Rule 1307 of the SGX-ST Listing Manual, the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution.

## 2.2 Rule 1309 of the SGX-ST Listing Manual

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

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

## 3. THE EXIT OFFER

### 3.1 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.

3.1.1 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. Further details will be contained in the Exit Offer Letter.

3.1.2 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 Announcement Date and hereafter attaching thereto, including the right to all Distributions (if any), available as at the Record Date which falls on or after the Announcement Date.

3.1.3 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 Announcement Date. In the event that the Record Date in respect of a Distribution falls on or after the 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:

- (a) 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
- (b) 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.

### **3.2 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 subparagraphs (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.

### **3.3 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. If the Condition has not been satisfied by the Long-Stop Date, the Exit Offer will automatically lapse and all acceptances of the Exit Offer will be returned and the Delisting will not proceed.

### **3.4 Commencement and Duration of the Exit Offer**

The Exit Offer, when made, will commence on the date of despatch of the Exit Offer Letter to Shareholders. It is proposed that the Circular be despatched to the Shareholders on the same day as the Exit Offer Letter.

**The Exit Offer will be open for acceptance by Shareholders on the date of despatch of the Exit Offer Letter and is required to remain open for acceptance for a period of at least twenty-one (21) days pursuant to Rule 15.1 of the HK Takeovers Code. If the Delisting Resolution is approved by the Shareholders at the EGM and the SGX-ST confirms that it has no objections to the proposed Delisting, the Exit Offer will become unconditional and will 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.**

Although no extension of the Exit Offer is currently contemplated, if the Exit Offer is extended, an announcement will be made in respect of such extension, and the Exit Offer will remain open for acceptance for such period as may be announced thereof.

### **3.5 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.

## **4. RULINGS FROM THE SECURITIES INDUSTRY COUNCIL OF SINGAPORE**

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 Information on the Offeror and Mr. Zhang**

5.1.1 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 Announcement 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.

5.1.2 As at the Announcement Date, Mr. Zhang owns 91,029,648 Shares, representing approximately 46.41% of the total number of issued Shares, while the Offeror does not own any Shares. Please refer to Appendix 2 for details on Mr. Zhang's shareholdings in the Company.

5.1.3 As at the Announcement Date, save as disclosed in Section 5.1.1 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.

### **5.2 Information on Mr. Chen**

Mr. Chen is an executive Director and the chief operating officer of the Company, and beneficially owns 40,240,256 Shares, representing approximately 20.52% of the total number of issued Shares. Mr. Chen is the brother-in-law of Mr. Zhang. Please refer to Appendix 2 for details on Mr. Chen's shareholdings in the Company.

### 5.3 Information on Mr. Zhang Jianwei

Mr. Zhang Jianwei is the brother of Mr. Zhang, and beneficially owns 833,867 Shares, representing approximately 0.43% of the total number of issued Shares. Please refer to Appendix 2 for details on Mr. Zhang Jianwei's shareholdings in the Company.

### 5.4 Aggregate holdings of the Relevant Persons

As at the Announcement Date, the Offeror and parties acting in concert with it, being 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.

## 6. INFORMATION ON THE COMPANY

6.1 The Company is incorporated in Singapore and is dual primary listed on the Official List of the SGX-ST and on 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 statements of the Company for the financial year ended 31 December 2016 and the unaudited consolidated income statement of the Company for the financial year ended 31 December 2017:

	<b>For the financial year ended 31 December 2016 RMB'000 (audited)</b>	<b>For the financial year ended 31 December 2017 RMB'000 (unaudited)</b>
Revenue	741,421	1,748,042
Profit before taxation	145,065	218,527
Profit for the year/period attributable to Shareholders	65,349	116,161

6.4 As at the Announcement Date:

6.4.1 the Company has an issued and paid-up share capital of 196,133,152 Shares and does not have any outstanding options, rights, warrants or other instruments convertible into, exercisable for or redeemable with, any Shares;

6.4.2 the Company does not have any treasury Shares; and

6.4.3 the Directors are Mr. Zhang (Chairman, executive Director and chief executive officer), Mr. Chen (executive Director and chief operating officer), Mr. Dong Xincheng (non-executive Director), Mr. Ong Kian Guan (independent non-executive Director and lead non-executive independent Director), Mr. Oh Eng Bin (independent non-executive Director) and Mr. Siu Man Ho Simon (independent non-executive Director).

## **7. IRREVOCABLE UNDERTAKINGS**

**7.1** As at the Announcement Date, Mr. Zhang and Mr. Chen (whose particulars are set out in Appendix 1 to this Announcement) have provided irrevocable undertakings to the Offeror whereby each of Mr. Zhang and Mr. Chen has irrevocably undertaken, amongst other things:

- (a) 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;
- (b) not to accept the Exit Offer in respect of all or any of their Shares; and
- (c) save for any Encumbrances arising from or in connection with the ZW Charge and CZY Charge in relation to Mr. Zhang and Mr. Chen, 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.

**7.2** The Irrevocable Undertakings will expire and cease to have any effect at the earlier of:

- (a) the Delisting Resolution not being passed by Shareholders at the EGM;
- (b) the Exit Offer having been withdrawn, lapsed or closed; or
- (c) 12 months from the date of the Irrevocable Undertakings.

## **8. RATIONALE FOR THE DELISTING**

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 and is expected to lead to improved liquidity and enhanced Shareholder value;
- (b) the SEHK is geographically more aligned with the Group's business 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) 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.

## **9. 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.

**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.

Under the HK Listing Rules, the SEHK has stated that if, at the close of the Exit Offer, less than the minimum prescribed shareholding percentage applicable to the Company (being 25% of the total number of issued Shares) are held by the public, or if the SEHK believes that (i) a false market exists or may exist in the trading of the Shares, or (ii) that there are insufficient Shares in public hands to maintain an orderly market, the SEHK will consider exercising its discretion to suspend dealings in the Shares.

The Directors will undertake to the SEHK to take appropriate steps to ensure that sufficient public float exists in the Shares following the completion of the Exit Offer.

## **10. IMPLICATIONS OF THE DELISTING FOR SHAREHOLDERS WHO DO NOT ACCEPT THE EXIT OFFER**

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 Hong Kong Branch Share Registrar will mail the new share certificates by ordinary post to the mailing addresses of the 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 on 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 do not submit 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. Shareholders will thereafter be able to trade their Shares freely on the Main Board of the SEHK the next trading day after the date of despatch of the

new share certificates upon setting up investor participant stock accounts in CCASS with the HKSCC or stock accounts 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 accounts or their designated CCASS participant stock accounts thereafter. Further details will be set out in the Circular.

## 11. COMPULSORY ACQUISITION

**11.1** 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.**

**11.2** 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 64,863,248 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.

## 12. FINANCIAL ASPECTS OF THE EXIT OFFER<sup>1</sup>

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

<b>Share Prices on the SGX-ST</b>	<b>Share Price</b>	<b>Premium</b>
Last transacted price of the Shares on the SGX-ST on 13 March 2018 (being the Last Traded Day)	S\$0.495	31.3%
VWAP on the SGX-ST for the one-month period up to and including the Last Traded Day	S\$0.461	41.0%
VWAP on the SGX-ST for the three-month period up to and including the Last Traded Day	S\$0.451	44.1%
VWAP on the SGX-ST for the six-month period up to and including the Last Traded Day	S\$0.450	44.4%
VWAP on the SGX-ST for the one-year period up to and including the Last Traded Day	S\$0.509	27.7%
<b>Share Prices on the SEHK</b>	<b>Share Price</b>	<b>Premium<sup>2</sup></b>
Last transacted price of the Shares on the SEHK on 13 March 2018 (being the Last Traded Day)	HK\$3.000	29.3%
Average closing price on the SEHK for the one-month period up to and including the Last Traded Day	HK\$2.738	41.7%
Average closing price on the SEHK for the three-month period up to and including the Last Traded Day	HK\$2.696	43.9%
Average closing price on the SEHK for the six-month period up to and including the Last Traded Day	HK\$2.750	41.1%
Average closing price on the SEHK for the one-year period up to and including the Last Traded Day	HK\$2.974	30.5%

**12.2** The Exit Offer Price represents a discount of approximately 53.3% to the unaudited consolidated net asset value per Share of S\$1.393 as at 31 December 2017 (assuming an exchange rate of S\$1.00: RMB4.8188<sup>3</sup>).

<sup>1</sup> The historical market prices and the net asset value per Share of the Group are rounded to the nearest three (3) decimal places. The historical market prices and the corresponding premia are computed based on data extracted from Bloomberg L.P. (such data excluding off-market transactions).

<sup>2</sup> For ease of comparison, the Exit Offer Price has been converted into Hong Kong dollars based on the Latest Exchange Rate.

<sup>3</sup> Based on information extracted from Bloomberg L.P. as at 2:00 p.m. (Hong Kong and Singapore time) on the Announcement Date.

### **13. DISCLOSURE OF HOLDINGS AND DEALINGS IN THE COMPANY**

**13.1** As at the Announcement Date, the Relevant Persons own or have control or direction over an aggregate of 132,103,771 Shares, representing approximately 67.35% of the total number of issued Shares.

**13.2** Save as disclosed in Appendices 1 and 2 to this Announcement, none of the Relevant Persons (a) owns, controls, has direction over or has agreed to acquire any Company Securities as at the Announcement Date, or (b) has dealt for value in any Company Securities during the six-month period immediately preceding the Announcement Date.

**13.3** Save as disclosed in Appendix 2 to this Announcement, as at the Announcement Date, none of the Relevant Persons has granted any security interest over any Company Securities to another person, whether through a charge, pledge or otherwise.

**13.4** As at the Announcement Date:

- (a) save as disclosed in Section 7 of this Announcement, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the HK Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Exit Offer;
- (b) save as disclosed in Section 3.2 of this Announcement, there is no agreement or arrangement to which any of the Relevant Persons is a party which relates to circumstances in which it may or may not seek to invoke a pre-condition or a condition to the Exit Offer;
- (c) there is no outstanding derivative in respect of the Company Securities entered into by the Relevant Persons;
- (d) save as disclosed in Section 7 of this Announcement, none of the Relevant Persons has received any irrevocable undertaking from any party to accept or reject the Exit Offer, as at the Announcement Date; and
- (e) there are no relevant securities (as defined in Note 4 to Rule 22 of the HK Takeovers Code) in the Company which any Relevant Person has borrowed or lent.

### **14. TOTAL CONSIDERATION PAYABLE UNDER THE EXIT OFFER**

As at the Announcement 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 are the maximum number of Shares that may be tendered for acceptance under the Exit Offer. As such, 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.

## **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 in aggregate 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 in aggregate 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.

## **16. INDEPENDENT BOARD COMMITTEE**

Pursuant to the HK Takeovers Code, an Independent Board Committee, which comprises all the non-executive Directors, namely, Mr. Dong Xincheng, Mr. Ong Kian Guan, Mr. Oh Eng Bin and Mr. Siu Man Ho Simon, has been established to advise and make its recommendation on the Exit Offer to the Independent Shareholders. 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 on the Exit Offer and the Delisting will be made pursuant to both the HK Takeovers Code and the Singapore Takeover Code. The recommendation of the Independent Board Committee will be set out in the Circular.

## **17. INDEPENDENT FINANCIAL ADVISERS**

The Board has appointed ZICO Capital Pte. Ltd. as the Singapore IFA to advise the Independent Board Committee and Independent Shareholders for the purpose of making a recommendation in connection with the Exit Offer in Singapore and the Delisting pursuant to the Singapore Takeover Code. The appointment of ZICO Capital Pte. Ltd. as the Singapore IFA has been approved by the Independent Board Committee.

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

## **18. CIRCULAR AND EXIT OFFER LETTER**

Pursuant to Rule 8.2 of the HK Takeovers Code and Rule 22.1 of the Singapore Takeover Code, the Exit Offer Letter setting out, amongst other things, details of the Exit Offer (including the expected timetable and terms of the Exit Offer), together with the relevant form(s) of acceptance, must be despatched to the Shareholders by or on behalf of the Offeror within twenty-one (21) days of the Announcement Date or such later date as the Executive may approve. It is intended that the Circular setting out, amongst other things, (i) details of the Exit Offer (including the expected timetable and terms of the Exit Offer), (ii) further information on the Delisting, (iii) letters of advice from the respective IFAs to the Independent Board Committee in relation to the Exit Offer and the Delisting, (iv) the recommendation from the Independent Board Committee in relation to the Exit Offer and the Delisting and (v) the notice of the EGM, will be despatched to the Shareholders on the same day as the Exit Offer Letter or such later date as the Executive may approve.

**No immediate action is required of Shareholders in respect of the Exit Offer and the Delisting. Shareholders will be advised on the procedures for accepting the Exit Offer when the Circular and the Exit Offer Letter are despatched.**

## **19. OVERSEAS SHAREHOLDERS**

**19.1** The Offeror intends to make the Exit Offer available to all Shareholders, including those who are not resident in Hong Kong or Singapore. However, the availability of the Exit Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. It is the responsibility of any Overseas Shareholder wishing to take any action in relation to the Exit Offer and the Delisting to satisfy himself/herself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable requirements and restrictions in the relevant overseas jurisdictions, and exercise caution in relation to the Exit Offer.

**19.2** In the event that the receipt of the Exit Offer Letter and the relevant form(s) of acceptance by Overseas Shareholders is prohibited by any applicable laws or regulations or may only be effected upon compliance with the conditions or requirements of such overseas jurisdictions that would be unduly onerous or burdensome, the Exit Offer Letter and the relevant form(s) of acceptance, subject to the Executive's consent, will not be despatched to such Overseas Shareholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the HK Takeovers Code at the appropriate time. Nonetheless, the Overseas Shareholders will be provided with all material information contained in the Exit Offer Letter.

**19.3** Further details in relation to the arrangement with respect to Overseas Shareholders will be contained in the Exit Offer Letter and the Circular where appropriate.

## 20. DEALINGS DISCLOSURE

**20.1** Pursuant to the HK Takeovers Code, the associates of the Offeror and the Company (as defined under the HK Takeovers Code and including a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the HK Takeovers Code) in the Company or the Offeror) are hereby reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the HK Takeovers Code. In accordance with Rule 3.8 of the HK Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the HK Takeovers Code:

**“Responsibilities of stockbrokers, banks and other intermediaries”**

*“Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that cooperation.”*

**20.2** Pursuant to the Singapore Takeover Code, the associates of the Offeror and the Company (as defined under the Singapore Takeover Code and including a person who holds 5% or more of the equity share capital of the Company) are hereby reminded to disclose their dealings in the relevant securities (as defined in Note 3 on Rule 12 of the Singapore Takeover Code) of the Company under Rule 12 of the Singapore Takeover Code. Reproduced below is the full text of Note 9 on Rule 12 of the Singapore Takeover Code:

**“Responsibilities of stockbrokers, banks and other intermediaries”**

*“Stockbrokers, bankers and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons and that those clients are willing to comply with them. Dealers who deal directly with investors should, in appropriate cases, likewise draw their attention to the relevant Rules.*

*Intermediaries are expected to co-operate with the Council in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Council with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

**WARNING: Shareholders and potential investors should be aware that the Exit Offer is subject to the Condition being satisfied and thus the Exit Offer may or may not become or be capable of being declared unconditional in all respects and the Delisting may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares or other rights in respect of them, and to refrain from taking any action which may be prejudicial to their interests. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.**

## **21. RESPONSIBILITY STATEMENTS**

### **21.1 Pursuant to the HK Takeovers Code:**

- (a) Mr. Zhang, being the sole director of the Offeror, accepts full responsibility for the accuracy of information contained in this Announcement (other than information relating to the Company) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading; and
- (b) all Directors jointly and severally accept full responsibility for the accuracy of information contained in this Announcement (other than information relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

### **21.2 Pursuant to the Singapore Takeover Code:**

- (a) Mr. Zhang, being the sole director of the Offeror has taken all reasonable care to ensure that the facts stated and the opinions expressed in this Announcement are fair and accurate and no material facts have been omitted from this Announcement, and he accepts responsibility accordingly. Where any information has been extracted from published or publicly available sources (including information relating to the Company), the sole responsibility of Mr. Zhang has been to ensure through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement; and
- (b) the Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and the opinions expressed in this Announcement are fair and accurate and no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources (including information relating to the Offeror), the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

## 22. DEFINITIONS

In this Announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Address Notification Form”	the form proposed to be sent to Shareholders who hold their Shares through CDP and Singapore Registered Shareholders together with the Circular for the purpose of allowing Shareholders who hold their Shares through CDP and Singapore Registered Shareholders who do not accept the Exit Offer to provide, if they wish to do so, an address in Hong Kong for the delivery of their share certificates by ordinary post, at their own risk, in respect of their Shares transferred from the Singapore Register to the HK Branch Register following the completion of the Delisting
“Announcement”	this joint announcement by the Offeror and the Company dated 13 March 2018 which includes the appendices
“Announcement Date”	the date of this Announcement
“Board”	the board of Directors
“Business Day”	a day other than Saturday, Sunday and a public holiday on which commercial banks in Hong Kong and Singapore, the SEHK and the SGX-ST (as the case may be) are open for the transaction of business excluding any days on which a typhoon signal no. 8 or above or a black rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. to 5:00 p.m.
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by the HKSCC
“CDP”	The Central Depository (Pte) Limited of Singapore, which operates the Central Depository System for the holding and transfer of book-entry securities
“China Galaxy”	China Galaxy International Securities (Hong Kong) Co., Limited, a licensed corporation under the SFO, registered to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

“Circular”	the letter proposed to be issued by the Company to the Shareholders in connection with the Exit Offer and the Delisting, setting out, amongst other things: (i) letters of advice from the respective IFAs to the Independent Board Committee in relation to the Exit Offer and the Delisting; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Exit Offer and the Delisting; and (iii) the notice of EGM
“Company”	Weiye Holdings Limited, a company incorporated in Singapore under the Companies Act as a private limited company on 2 August 1984 and subsequently converted into a public limited company on 26 December 2001, and the Shares of which are listed on the Official List of the Mainboard of the SGX- ST and the Main Board of the SEHK
“Company Securities”	Shares, securities which carry voting rights in the Company and convertible securities, warrants, options or derivatives in respect of, such Shares or securities of the Company
“Condition”	the condition in respect of the Exit Offer and the Delisting as set out in Section 3.2 of this Announcement
“Controlling Shareholders”	a person who (a) holds directly or indirectly 15% or more of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) (subject to the discretion of the SGX-ST which may nevertheless determine that such a person is not a Controlling Shareholder); or (b) in fact exercises control over the Company
“Delisting”	the proposed voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual
“Delisting Proposal”	the formal proposal dated 13 March 2018 presented by the Offeror to the Board to seek the Delisting
“Delisting Resolution”	the resolution to be approved by Shareholders at the EGM in relation to the Delisting
“Director(s)”	the director(s) of the Company
“Distributions”	dividends, rights and other distributions in respect of Shares
“EGM”	the extraordinary general meeting of the Company to be convened for Shareholders to approve the Delisting Resolution

“Encumbrances”	any claim, lien, equity, mortgage, charge, encumbrance, right of pre-emption and other third party right and interest of any nature whatsoever
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any delegate of the Executive Director
“Exit Offer”	the conditional cash exit offer to be made by the Joint Financial Advisers for and on behalf of the Offeror for the Offer Shares
“Exit Offer Letter”	the letter proposed to be issued by the Joint Financial Advisers, on behalf of the Offeror, to all the Shareholders in connection with the Exit Offer in accordance with the Singapore Takeover Code and the HK Takeovers Code setting out, amongst other things, details of the Exit Offer (including the expected timetable and terms of the Exit Offer), together with the relevant form(s) of acceptance
“Exit Offer Price”	S\$0.65 or HK\$3.88 for each Offer Share as set out in paragraph 3.1.1 of this Announcement
“Group”	the Company and its subsidiaries
“HK Branch Register”	the register of members of the Company in Hong Kong
“HK IFA”	Ballas Capital Limited, the independent financial adviser appointed by the Company to advise the Independent Board Committee in relation to, amongst others, the Exit Offer and the Delisting pursuant to the HK Takeovers Code and is a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities
“HK Listing Rules”	the rules governing the listing of securities on the Main Board of the SEHK
“HK Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Branch Share Registrar”	Tricor Investor Services Limited, the Company’s branch share registrar in Hong Kong
“IFAs”	The Singapore IFA and the HK IFA, collectively

“Independent Board Committee”	the independent committee of the Board established pursuant to Rule 2.1 of the HK Takeovers Code comprising all the non-executive Directors, namely, Mr. Dong Xincheng, Mr. Ong Kian Guan, Mr. Oh Eng Bin and Mr. Siu Man Ho Simon, to advise and make its recommendation on the Exit Offer and the Delisting to the Independent Shareholders, whereby the above-mentioned 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
“Independent Shareholders”	all Shareholders other than the Relevant Persons and the Shareholders who have provided the Irrevocable Undertakings to the Offeror
“Irrevocable Undertakings”	the irrevocable undertakings provided by certain Shareholders to the Offeror, as more particularly described in Section 7 of this Announcement
“Joint Financial Advisers”	China Galaxy and Stirling Coleman
“Last Traded Day”	13 March 2018, being the last market day on which the Shares were traded on the SGX-ST and the SEHK prior to the Announcement Date
“Latest Exchange Rate”	the exchange rate of S\$1.00 to HK\$5.9712 as extracted from Bloomberg L.P., as at 2:00 p.m. (Hong Kong and Singapore time) on the Announcement Date
“Long-Stop Date”	30 September 2018, being the latest date for satisfaction of the Condition
“Mr. Chen”	Mr. Chen Zhiyong, an executive Director and the chief operating officer of the Company
“Mr. Zhang”	Mr. Zhang Wei, the Chairman, executive Director and chief executive officer of the Company and who is also the sole director of the Offeror
“Offer Settlement Date”	the date upon which the Offeror is registered as Shareholder of any Offer Shares tendered in acceptance of the Exit Offer by Shareholders
“Offer Shares”	Shares in respect of which the Exit Offer is made
“Offeror”	Fine Skill Holdings Limited, a company incorporated in the BVI, which is wholly owned by Mr. Zhang

“Overseas Shareholders”	the Shareholders whose addresses as shown in the Singapore Register, the records of CDP or the HK Branch Register are outside of Singapore and/or Hong Kong
“PRC”	the People’s Republic of China, which, for the purposes of this Announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Record Date”	in relation to any Distributions, the date on which Shareholders must be registered with the Company, CCASS or with CDP, as the case may be, in order to be entitled to such Distributions
“Relevant Persons”	the Offeror and parties acting in concert with it (including Mr. Zhang, Mr. Chen and Mr. Zhang Jianwei)
“Stirling Coleman”	Stirling Coleman Capital Limited, the Singapore financial adviser to the Offeror, holds a Capital Markets Services Licence from the Monetary Authority of Singapore for certain regulated activities including, without limitation, Dealing in Securities and Advising on Corporate Finance
“SEHK”	The Stock Exchange of Hong Kong Limited
“SFO”	the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“SGX-ST”	Singapore Exchange Securities Trading Limited
“SGX-ST Listing Manual”	the main board rules of the listing manual of the SGX-ST
“Shareholders”	the registered holders of the Shares
“Shares”	ordinary shares in the issued and paid-up capital of the Company
“SIC”	the Securities Industry Council of Singapore
“Singapore Companies Act”	the Companies Act of Singapore (Cap. 50)
“Singapore Financial Reporting Standards”	Singapore Financial Reporting Standards (which include all Singapore Financial Reporting Standards and Singapore Financial Reporting Interpretations) issued by the Singapore Accounting Standards Council
“Singapore IFA”	ZICO Capital Pte. Ltd., the independent financial adviser appointed by the Company to advise the Independent Board Committee in relation to, amongst others, the Exit Offer and the Delisting pursuant to the Singapore Takeover Code

“Singapore Register”	the register of members of the Company in Singapore
“Singapore Registered Shareholders”	Shareholders whose Shares are held under their own names on the Singapore Register
“Singapore Takeover Code”	The Singapore Code on Take-overs and Mergers
“US”	the United States of America
“VWAP”	the volume-weighted average price of the Shares on the SGX-ST
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“S\$”	Singapore dollars, the lawful currency of Singapore
“US\$”	US dollars, the lawful currency of US
“%”	per cent.

In this Announcement, any discrepancies between the amounts listed and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this Announcement may not be an arithmetic aggregation of the figures that precede them.

By Order of the board  
**FINE SKILL HOLDINGS LIMITED**  
**Zhang Wei**  
*Sole Director*

By Order of the Board of  
**WEIYE HOLDINGS LIMITED**  
**Chen Zhiyong**  
*Director*

Singapore, 13 March 2018

*As at the Announcement Date, the sole director of the Offeror is Mr. Zhang Wei.*

*As at the Announcement Date, the executive Directors are Mr. Zhang Wei and Mr. Chen Zhiyong; the non-executive Director is Mr. Dong Xincheng; and the independent non-executive Directors are Mr. Ong Kian Guan, Mr. Oh Eng Bin and Mr. Siu Man Ho Simon.*

#### *Forward-Looking Statements*

*This Announcement contains forward-looking statements, which may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “seek”, “estimate”, “will”, “would” or words of similar meaning, that involve risks and uncertainties, as well as assumptions, that, if they were to materialise or prove incorrect, could cause the results of the Company and its consolidated subsidiaries to differ materially from those express or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company shall update these statements to ensure they remain accurate and up to date and will notify Shareholders of any material changes as soon as possible in accordance with Rule 9.1 of the HK Takeovers Code.*

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**Important Notice:**

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws and regulations. The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

## APPENDIX 1

### PARTICULARS OF THE SHAREHOLDERS WHO HAVE PROVIDED THE IRREVOCABLE UNDERTAKING

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

*Note:*

<sup>(1)</sup> Based on 196,133,152 Shares in issue as at the Announcement Date.

## APPENDIX 2

### DISCLOSURES OF HOLDINGS AND DEALINGS

#### 1. HOLDINGS OF SHARES OF THE RELEVANT PERSONS

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

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

*Notes:*

- (1) Based on 196,133,152 Shares in issue as at the Announcement Date.
- (2) As at the Announcement Date, Mr. Zhang is deemed interested in 91,029,648 Shares held under the nominee accounts, HKSCC Nominees Limited.
- (3) As at the Announcement Date, 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) As at the Announcement Date, 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, a 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:

Term	:	Two years from 26 June 2017, the date of drawdown
Principal Amount	:	HK\$310,000,000
Interest Rate	:	9.5% per annum
Default Interest	:	20% per annum
Security	:	<ul style="list-style-type: none"><li>• Personal guarantees granted by Mr. Zhang and Mr. Chen;</li><li>• Charge over the Shares held by Mr. Zhang, Mr. Chen and Mr. Zhang Jianwei (<i>note 1</i>);</li><li>• Debenture granted by Well Fai International Ltd. (<i>note 2</i>).</li></ul>
Repayment	:	Well Fai International Ltd. must repay the loan at the following times and in the following amounts: <ul style="list-style-type: none"><li>• HK\$60,000,000 on the date falling six months after the drawdown date;</li><li>• HK\$250,000,000 on the final maturity date, being the date falling two years after the drawdown date.</li></ul>
Purpose of the loan	:	Well Fai International Ltd's general working capital
Payment of principal amount together with interest up to the date of this Announcement	:	approximately HK\$74,725,000

*Note: <sup>(1)</sup> 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.*

*<sup>(2)</sup> Well Fai International Ltd. charged (i) by way of first fixed charge on its book debts and all its collateral in respect of its assets and any proceeds of any of its assets and (ii) by way of first 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

Save for the grant of the share charges described in Notes (6) to (8) in paragraph 1 of this Appendix 2, there are no dealings in the Shares by the Relevant Persons during the six-month period immediately preceding the Announcement Date.