

MUTANTUR PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 201526927H

HUP SOON GLOBAL CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199204815Z

JOINT ANNOUNCEMENT

RECOMMENDED VOLUNTARY UNCONDITIONAL CASH OFFER OF HUP SOON GLOBAL CORPORATION LIMITED

1. INTRODUCTION

Mutantur Private Limited (the "**Offeror**") and Hup Soon Global Corporation Limited (the "**Company**") wish to jointly announce that the respective boards of directors of the Offeror and the Company have agreed to the terms of a recommended voluntary unconditional cash offer (the "**Offer**") to be made by the Offeror to acquire all the issued and paid-up ordinary shares (the "**Shares**") in the capital of the Company (excluding 80,000 treasury shares) (the "**Offer Shares**"). The Offer is recommended by Provenance Capital Pte. Ltd. ("**Provenance Capital**"), the independent financial adviser (the "**IFA**") appointed by the directors of the Company to advise shareholders of the Company (the "**Shareholders**") other than the Offeror and its parties acting in concert with it (the "**Independent Shareholders**") on the Offer, as set out in paragraph 9.3 below.

2. THE RECOMMENDED OFFER

2.1 In accordance with Rule 15 of The Singapore Code on Take-overs and Mergers (the "**Code**"), and subject to the terms and conditions set out in the Composite Document (as defined below), as further elaborated in paragraph 13 below, the Offeror will make the Offer for the Offer Shares on the following basis:

For each Offer Share: S\$0.06 in cash (the "Offer Price**").**

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

2.3 The Offer will be extended, on the same terms and conditions, to all new Shares unconditionally issued prior to the close of the Offer. For the purpose of the Offer, the expression "**Offer Shares**" shall include the aforesaid Shares.

2.4 **The Offer will be unconditional in all respects.**

2.5 As at the Offer Announcement Date, the Offeror and parties acting in concert with it holds an aggregate of 347,974,663 Shares, representing approximately 95.53% of the total number of issued Shares¹.

3. ROLLOVER ARRANGEMENT AND IRREVOCABLE UNDERTAKINGS

3.1 Each of Spei Holdings Private Limited ("**SPEI**"), United Motor Works (1927) Pte. Ltd. ("**UMW 1927**") and Mr Goh Swee Heng (collectively, the "**Rollover Shareholders**") has entered into a subscription agreement (the "**Subscription Agreement**") with the Offeror pursuant to which such Rollover Shareholders will subscribe for ordinary shares in the Offeror (the "**Offeror Shares**") at S\$0.06 per Offeror Share (the "**Subscription Price**") (the "**Subscription**").

3.2 It is envisaged that the resultant shareholding in the Offeror pursuant to the Subscription would be as follows:

| Shareholders | Number of Offeror Shares | Shareholding Percentage (%) |
|----------------------------|--------------------------|-----------------------------|
| SPEI | 180,727,453 | 49.61 |
| UMW 1927 | 161,698,398 | 44.39 |
| Mr. Goh Swee Heng | 5,482,832 | 1.51 |
| Mr. Chia Chee Ming Timothy | 13,092,563 | 3.59 |
| Mr. Yong Wei Hsien Timothy | 3,273,141 | 0.90 |
| Total | 364,908,683 | 100 |

3.3 Each of the Rollover Shareholders has also given an irrevocable undertaking (the "**Irrevocable Undertakings**") in favour of the Offeror, *inter alia*, as follows:

- (a) to accept the Offer in respect of all the Shares held by them/him; and
- (b) to waive their/his rights under Rule 30 of the Code to receive any cash settlement or payment in relation to the Shares held by them/him and the obligation of the Offeror to pay them/him the total proceeds of their/his Shares shall be set-off in full against their/his obligation to pay the Subscription Price.

3.4 The number of Shares held by the Rollover Shareholders as at the Offer Announcement Date are as follows:

| Rollover Shareholders | Number of Shares | Percentage of Shares (%) |
|-----------------------|------------------|--------------------------|
| SPEI | 180,727,453 | 49.61 |

¹ In this Announcement, unless otherwise stated, all references to the total number of issued Shares shall be to 364,274,387 Shares (excluding treasury shares).

| | | |
|-------------------|--------------------|--------------|
| UMW 1927 | 161,698,398 | 44.39 |
| Mr. Goh Swee Heng | 5,482,832 | 1.51 |
| <hr/> | | |
| Total | 347,908,683 | 95.51 |

3.5 For the purposes of this Announcement, the aggregate amount which would otherwise be payable by the Offeror as consideration for the Shares held by the Rollover Shareholders pursuant to the Offer, and which will, pursuant to the Irrevocable Undertakings and the Subscription Agreement be set-off against the Subscription Price, shall be referred to as the "**Set-Off Amount**".

3.6 The Irrevocable Undertakings will lapse if for whatever reason, other than as a result of a breach by the Rollover Shareholders of any of their obligations therein, the Offer is withdrawn, lapses or closes.

3.7 The Securities Industries Council of Singapore (the "**SIC**") has confirmed that the arrangements set out under this paragraph 3 do not constitute special deals for the purposes of Rule 10 of the Code.

4. INFORMATION ON THE OFFEROR

4.1 The Offeror is a company incorporated under the laws of Singapore on 25 June 2015. As at the Offer Announcement Date, the Offeror has an issued and paid-up capital of approximately S\$10.00 consisting of 10 ordinary shares.

4.2 As at the Offer Announcement Date, the shareholders of the Offeror are Mr. Chia Chee Ming Timothy and Mr. Yong Wei Hsien Timothy. Mr. Yong Wei Hsien Timothy is the sole director of the Offeror.

4.3 As at the Offer Announcement Date, the Offeror does not own any Shares.

5. INFORMATION ON THE COMPANY

5.1 The Company was incorporated in Singapore as "Twinwood Engineering Pte Ltd" on 8 September 1992. It changed its name to "Twinwood Engineering Limited" on 15 November 1997 following its conversion into a public limited company. Twinwood Engineering Limited subsequently changed its name again to "Hup Soon Global Corporation Limited" on 26 April 2007 upon completion of the acquisition of Hup Soon Global Pte Ltd.

5.2 The Company was listed on the Stock Exchange of Singapore Dealing and Automated Quotation System (now replaced by the Catalist board of the Singapore Exchange Securities Trading Limited) ("**SGX Catalist**") on 8 December 1997. The Company was delisted on 8 April 2013.

5.3 As at the Offer Announcement Date, based on publicly available information:

(a) the directors of the Company (the "**Company Directors**") comprise the following:

(i) Mr. Chia Chee Ming Timothy;

(ii) Mr. Yong Wei Hsien Timothy;

- (iii) Mr. Goh Swee Heng; and
- (iv) Dr. Patrick Yong Mian Thong;
- (b) the Company has an issued and paid-up share capital of S\$44,896,365.30 consisting of 364,274,387 Shares (excluding 80,000 treasury shares); and
- (c) there are no outstanding options.

6. RATIONALE FOR THE OFFER

6.1 Intention to Privatisise the Company

The Offeror is making the Offer with a view to privatising the Company and making the Company its wholly-owned subsidiary. Upon acceptance of the Offer by the Rollover Shareholders, the Offeror will be entitled to, and intends to, exercise the right of compulsory acquisition under the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**").

6.2 Opportunity for Minority Shareholders to Realise Their Investment

The Offer will provide Shareholders with the opportunity to realise their entire investment in the Shares and to unlock value in their unlisted and illiquid Shares.

6.3 Greater Management Flexibility

The Offeror is of the view that privatising the Company will provide the Offeror with greater control and management flexibility to manage and develop the Company, optimise the use of resources and facilitate the implementation of any strategic initiatives and/or operational changes.

7. COMPULSORY ACQUISITION

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

7.2 In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total number of issued Shares, the Shareholders who have not accepted the Offer have a right to require the Offeror to acquire their Shares at the Offer Price. Such Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

7.3 As mentioned in paragraph 6.1 above, upon acceptance of the Offer by the Rollover Shareholders, the Offeror will be entitled to, and intends to, exercise the right of compulsory acquisition under the Companies Act.

8. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

8.1 The Appendix to this Announcement sets out the number of Shares owned, controlled or agreed to be acquired by:

- (a) the Offeror, SPEI and UMW 1927; and
- (b) the director(s) of each of the Offeror, SPEI and UMW 1927,

(each a "**Relevant Person**" and collectively, the "**Relevant Persons**") as at the Offer Announcement Date;

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

- (a) owns, controls or has agreed to acquire any:
 - (i) Shares;
 - (ii) securities which carry voting rights in the Company; or
 - (iii) convertible securities, warrants, options or derivatives in respect of such Shares or securities,

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

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

8.3 In the interest of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with it in connection with the Offer. Further enquiries will be made of such persons by the Offeror and the relevant disclosures, if any, will be made in the Composite Document.

9. ADVICE AND RECOMMENDATION OF THE INDEPENDENT FINANCIAL ADVISER

9.1 The SIC has ruled that all of the Company Directors, namely, Mr. Chia Chee Ming Timothy, Mr. Yong Wei Hsien Timothy, Mr. Goh Swee Heng and Dr. Patrick Yong Mian Thong, are exempted from the requirement to make a recommendation on the Offer to Shareholders in view of the fact that all the Company Directors (being directors and/or shareholders of the Offeror and/or parties acting in concert with it) face an irreconcilable conflict of interest in relation to the Offer. The Company Directors will, nonetheless, accept responsibility for the

accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer.

- 9.2 The SIC has also ruled that it has no objections to the appointment of Provenance Capital as the IFA for the purpose of the Offer to advise Independent Shareholders on the Offer, subject to each of the Company Directors submitting a written confirmation (the "**SIC Confirmation Letters**") to the effect that neither he nor his concert parties (a) have sought the views of Provenance Capital on the Offer, in particular, whether Provenance Capital would support the Offer; and (b) will influence or attempt to influence the advice given by Provenance Capital. Each of the Company Directors have submitted the SIC Confirmation Letters.
- 9.3 Accordingly, Provenance Capital has been appointed by the Company Directors as the IFA to advise Independent Shareholders on the Offer. Provenance Capital is of the opinion that the financial terms of the Offer are fair and reasonable and recommends that Independent Shareholders accept the Offer. The detailed opinion and recommendation of Provenance Capital to Independent Shareholders on the Offer (the "**IFA Advice**") will be included in the Composite Document (as defined below), which will be despatched in due course.

10. OVERSEAS SHAREHOLDERS

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer will be made solely by the Composite Document (as defined below) and the relevant form(s) of acceptance accompanying the Composite Document (as defined below), which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

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

The Offeror reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders who are not resident in Singapore by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement, notice or advertisement.

11. CONFIRMATION OF FINANCIAL RESOURCES

Bangkok Bank Public Company Limited, Singapore Branch has confirmed that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer (excluding the Set-Off Amount) by the holders of the Offer Shares.

12. ANNOUNCEMENTS

All announcements made by or on behalf of the Offeror and/or the Company relating to or in connection with the Offer (including this Announcement) will be released on the Company's website at www.hupsoon.com.

13. COMPOSITE DOCUMENT

13.1 The Offeror and the Company will be despatching a composite document (the "**Composite Document**") to Shareholders. The Composite Document will contain, amongst other things, the following:

- (a) the offer document to be issued by the Offeror, which will set out the terms and conditions of the Offer and enclose a Form of Acceptance and Transfer for the Offer Shares; and
- (b) the letter of the Company Directors to Shareholders in relation to the Offer, together with the IFA Advice.

13.2 The Composite Document will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Offer Announcement Date. The Offer will remain open for acceptance by Shareholders for a period of at least 28 days from the date of despatch of the Composite Document.

13.3 In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the IFA Advice to be included in the Composite Document.

14. RESPONSIBILITY STATEMENT

14.1 The sole director of the Offeror has taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Company and the IFA Advice) are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement (other than (a) those relating to the Company, and (b) the IFA Advice) misleading. Where any information in this Announcement has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or

reproduced in this Announcement. The sole director of the Offeror accepts responsibility accordingly.

- 14.2 The Company Directors (including any Company Director who may have delegated detailed supervision of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than (a) those relating to the Offeror and parties acting in concert with it, and (b) the IFA Advice) are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement (other than (a) those relating to the Offeror and parties acting in concert with it and (b) the IFA Advice) misleading. Where any information in this Announcement has been extracted or reproduced from published or publicly available sources or obtained from the Offeror, the Relevant Persons or the Rollover Shareholders, the sole responsibility of the Company Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement. The Company Directors jointly and severally accept responsibility accordingly.

**BY ORDER OF THE BOARD
MUTANTUR PRIVATE LIMITED**

**Yong Wei Hsien Timothy
Director**

**BY ORDER OF THE BOARD
HUP SOON GLOBAL CORPORATION LIMITED**

**Goh Swee Heng
Director**

28 September 2015

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Company undertakes any obligation to update publicly or revise any forward-looking statements.

SCHEDULE

DISCLOSURE OF HOLDINGS IN SHARES

Shares held by the Offeror and the Other Relevant Persons as at the Offer Announcement Date

As at the Announcement Date, the interests in Shares held by the Offeror and the other Relevant Persons are set out below:

| Name | Direct Interest | | Deemed Interest | |
|---|------------------|--------------------------|------------------|--------------------------|
| | Number of Shares | Percentage of Shares (%) | Number of Shares | Percentage of Shares (%) |
| Spei Holdings Private Limited (" SPEI ") | 180,727,453 | 49.61 | - | - |
| United Motor Works (1927) Pte. Ltd. (" UMW 1927 ") | 161,698,398 | 44.39 | - | - |
| Mr. Goh Swee Heng ⁽¹⁾ | 5,482,832 | 1.51 | 180,727,453 | 49.61 |
| Mr. Yong Wei Hsien Timothy ⁽¹⁾ | - | - | 180,727,453 | 49.61 |
| Ms. Melor Mohd Shahid ⁽²⁾ | 65,980 | 0.02 | - | - |
| Dr. Yong Mian Thong Patrick ⁽³⁾ | - | - | 180,727,453 | 49.61 |
| Mr. Chia Chee Ming Timothy ⁽⁴⁾ | - | - | 342,425,851 | 94.00 |

Notes:

- (1) Mr. Goh Swee Heng and Mr. Yong Wei Hsien Timothy are directors and shareholders of SPEI, and are deemed to have an interest in the Shares held by SPEI by virtue of Section 7 of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**").
- (2) Ms. Melor Mohd Shahid is the sole director of UMW 1927, and is a concert party of the Offeror.
- (3) Dr. Yong Mian Thong Patrick is a shareholder of SPEI, and is deemed to have an interest in the Shares held by SPEI by virtue of Section 7 of the Companies Act.
- (4) Mr. Chia Chee Ming Timothy is a shareholder of both SPEI and UMW 1927, and is deemed to have an interest in the Shares held by SPEI by virtue of Section 7 of the Companies Act.