



OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Company Registration Number: 193200032W)
(Incorporated in Singapore)

22 June 2022

To: The Shareholders of Hwa Hong Corporation Limited

Dear Sir / Madam

VOLUNTARY CONDITIONAL CASH OFFER BY OVERSEA-CHINESE BANKING CORPORATION LIMITED ("OCBC") FOR AND ON BEHALF OF SANJURO UNITED PTE. LTD. (THE "OFFEROR") FOR ALL THE ISSUED AND PAID-UP ORDINARY SHARES ("SHARES") IN THE CAPITAL OF HWA HONG CORPORATION LIMITED (THE "COMPANY") OTHER THAN ANY SHARES HELD IN TREASURY AND THOSE SHARES HELD, DIRECTLY OR INDIRECTLY, BY THE OFFEROR AS AT THE DATE OF THE OFFER (COLLECTIVELY, THE "OFFER SHARES" AND EACH, AN "OFFER SHARE")

REVISION OF THE OFFER PRICE TO S\$0.40 IN CASH FOR EACH OFFER SHARE

- The Offeror is revising the Offer Price to: S\$0.40 in cash for each Offer Share (the "Revised Offer Price").
- The Revised Offer Price of S\$0.40 represents a premium of approximately 37.9% over the last traded price per Share on 12 May 2022, being the Last Trading Date.
- The Offeror does not intend to revise the Revised Offer Price, save that the Offeror reserves the right to do so in a competitive situation.
- The Offer remains, as at the Revised Latest Practicable Date (as defined herein), the only offer available for acceptance by Shareholders to realise their investment in the Company. The directors of the Company have confirmed that, as at 7 June 2022, apart from the Offer, no alternative offer or proposal has been received by the Company¹.
- In the event that the Acceptance Condition (as defined herein) is not satisfied by the Closing Date, the Offer will lapse and the Shares will trade according to prevailing market conditions. In such an event, there will be no guarantee that Shareholders will be able to monetise their Shares at the Revised Offer Price.
- Shareholders who have earlier accepted the Offer are entitled to the Revised Offer Price, subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms. Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already validly accepted the Offer.

Please refer to the rest of this Letter for further details.

¹ As disclosed by the Company in the circular to Shareholders dated 14 June 2022 in relation to the Offer.

1. **INTRODUCTION**

We refer to the formal offer document dated 31 May 2022 (the "**Offer Document**") issued by OCBC, for and on behalf of the Offeror, containing the terms and conditions of the voluntary conditional cash offer (the "**Offer**") for all the Shares in the capital of the Company, other than any Shares held in treasury and those Shares held, directly or indirectly, by the Offeror as at the date of the Offer.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Offer Document, unless otherwise expressly stated or the context otherwise requires.

2. **PRICE REVISION ANNOUNCEMENT**

2.1 We are writing to inform you of the announcement dated 7 June 2022 (the "**Price Revision Announcement**") relating to, *inter alia*, the revision of the Offer Price to S\$0.40 in cash for each Offer Share.

2.2 Electronic copies of this letter dated 22 June 2022 (this "**Letter**"), the Price Revision Announcement and the Offer Document are available on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") at www.sgx.com. Please read, in their entirety, this Letter, the Price Revision Announcement, the Offer Document and such other announcements made by or on behalf of the Offeror from time to time.

3. **REVISION OF OFFER PRICE**

3.1 **Revised Offer Price**

As stated in the Price Revision Announcement, the Offer Price for each Offer Share has been revised to the following:

For each Offer Share: S\$0.40 in cash

The Offeror does not intend to revise the Revised Offer Price, save that the Offeror reserves the right to do so in a competitive situation.

3.2 **Conditional Offer**

The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with the Offeror (whether before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with the Offeror holding more than 50% of the total number of Shares (excluding any Shares held in treasury) as at the close of the Offer (the "**Acceptance Condition**"). Save for the Acceptance Condition, the Offer is unconditional in all other respects.

3.3 Other Terms of the Offer Unchanged

Save as disclosed in this Letter and the Price Revision Announcement, all other terms and conditions of the Offer as set out in the Offer Document remain unchanged.

4. FINANCIAL EVALUATION OF THE REVISED OFFER PRICE

The Revised Offer Price of S\$0.40 represents an increase of S\$0.03 or 8.11% over the initial Offer Price of S\$0.37 per Offer Share.

The Revised Offer Price represents the following premiums over the historical traded prices of the Shares:

Description	Share Price (S\$) ⁽¹⁾	Premium of the Revised Offer Price over Share Price (%) ⁽²⁾
(a) Last traded price per Share on 12 May 2022, being the Last Trading Date	0.290	37.9
(b) The volume weighted average price (" <u>VWAP</u> ") of the Shares for the one (1)-month period up to and including the Last Trading Date	0.294	36.1
(c) VWAP of the Shares for the three (3)-month period up to and including the Last Trading Date	0.303	32.0
(d) VWAP of the Shares for the six (6)-month period up to and including the Last Trading Date	0.328	22.0
(e) VWAP of the Shares for the twelve (12)-month period up to and including the Last Trading Date	0.321	24.6
(f) Net asset value per Share as at 31 December 2021	0.285	40.4

Notes:

(1) The S\$ figures are rounded to the nearest three (3) decimal places and are sourced from Bloomberg L.P. up to and including the Last Trading Date.

(2) The respective premia are rounded to the nearest one (1) decimal place.

5. RATIONALE FOR THE REVISED OFFER PRICE

The Offeror is of the view that the Revised Offer Price reinforces the compelling and attractive exit opportunity for Shareholders, to realise their entire investment in cash at an even more attractive price and a more compelling premium amidst low trading liquidity and ongoing market volatility, without incurring brokerage and other trading costs. The Offer remains, as at 16 June 2022 (the "**Revised Latest Practicable Date**"), the only offer available for acceptance by Shareholders to realise their investment in the Company.

6. EXTENSION OF CLOSING DATE

Pursuant to Rule 20.1 of the Code, following the revision of the Offer, the Offer must be kept open for at least 14 days from the date of posting of this Letter to Shareholders.

Accordingly, the Closing Date of the Offer is extended to **5.30 p.m. (Singapore time) on 6 July 2022** or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

7. GENERAL INFORMATION

(a) **Valid Acceptances**

Shareholders who have earlier validly accepted the Offer are entitled to the Revised Offer Price, subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms. Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already validly accepted the Offer.

However, in the event the Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the Central Depository (Pte) Limited ("**CDP**") will return the aggregate number of Offer Shares in respect of which you have accepted the Offer and tendered for acceptance under the Offer to the "Free Balance" of your Securities Account as soon as possible but, in any event, within 14 days from the lapse of the Offer.

(b) **Procedures for Acceptance and Settlement**

Shareholders who have validly accepted the Offer prior to the date of this Letter are not required to take any further action in relation to the Offer.

Shareholders who wish to accept the Offer in respect of all or part of their Offer Shares should take the following steps:

(i) Shareholders holding Offer Shares which are deposited with CDP should submit the duly completed and signed original FAA:

(A) **by post**, in the enclosed pre-addressed envelope at their own risk, to Sanjuro United Pte. Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934; or

- (B) **in electronic form**, via SGX-ST's Investor Portal at investors.sgx.com (for Individual and Joint-Alt account holders only); or
- (ii) Shareholders holding Offer Shares which are not deposited with CDP should submit the duly completed and signed original FAT:
 - (A) **by hand**, to Sanjuro United Pte. Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or
 - (B) **by post**, in the enclosed pre-addressed envelope at their own risk, to Sanjuro United Pte. Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632,

in each case so as to arrive not later than 5.30 p.m. (Singapore time) on 6 July 2022.

The procedures for acceptance of the Offer are also set out in Appendix V to the Offer Document and in the accompanying relevant Acceptance Form(s).

Investors who have purchased Shares using a depository agent will receive further information on how to accept the Offer from their depository agent. Depository agents may accept the Offer via the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents.

Investors who have purchased Shares using their Supplementary Retirement Scheme ("**SRS**") contributions pursuant to the SRS (such investors, "**SRS Investors**") will receive further information on how to accept the Offer from the agent banks included under the SRS ("**SRS Agent Banks**") directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice. SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks by the deadline stated in the letter from their respective SRS Agent Banks. SRS Investors who validly accept the Offer will receive the Revised Offer Price payable in respect of their Offer Shares in their SRS investment accounts.

Investors who have purchased Shares using their Central Provident Fund contributions pursuant to the Central Provident Fund Investment Scheme ("**CPFIS**", and such investors, "**CPFIS Investors**") will receive further information on how to accept the Offer from the agent banks included under the CPFIS ("**CPF Agent Banks**") directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who validly accept the Offer will receive the Revised Offer Price payable in respect of their Offer Shares in their CPF investment accounts.

(c) **No Material Change in Information**

Save as disclosed in the Appendix to this Letter, the Offer Document and announcements released by or on behalf of the Offeror on the SGX-ST (including, *inter alia*, the Price Revision Announcement), and save for publicly available information on the Group, as far as the Offeror is aware, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from 17 May 2022 (being the Offer Announcement Date) and ending on the Revised Latest Practicable Date.

(d) **Overseas Jurisdictions**

Where there are potential restrictions on sending this Letter to any overseas jurisdictions, the Offeror and OCBC each reserves the right not to send this Letter to Overseas Persons in such overseas jurisdictions. Overseas Persons are advised to read paragraph 8 of the Offer Document entitled "**Overseas Persons**".

(e) Shareholders who are in any doubt about this Letter or the revised Offer should consult their stockbroker, bank manager, solicitor or other professional advisor immediately.

8. CONFIRMATION OF FINANCIAL RESOURCES

OCBC, as the sole financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares on the basis of the Revised Offer Price, excluding the quantum of the Relevant Consortium Loans.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Letter (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Letter, the omission of which would make any statement in this Letter misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Letter.

The Directors jointly and severally accept responsibility accordingly.

Yours faithfully,
OVERSEA-CHINESE BANKING CORPORATION LIMITED

For and on behalf of
SANJURO UNITED PTE. LTD.

22 June 2022

Any inquiries relating to this Letter or the Offer should be directed from 9.30 a.m. to 5.30 p.m. (Singapore time) to Oversea-Chinese Banking Corporation Limited helpline at (65) 6530 1275.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Letter 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", "shall", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor OCBC undertakes any obligation to update publicly or revise any forward-looking statements.

APPENDIX

UPDATES TO CONFIRMATIONS

1. FUNDING OF OFFER AND SHAREHOLDING OF THE OFFEROR

As mentioned in the Offer Document, the Offer will be funded by a combination of interest-free shareholders' loans (including the Relevant Consortium Loans) and bank loan and subject to certain maximum funding amounts as agreed between the members of the Consortium. Accordingly, the eventual shareholding of the Offeror after the completion of the Offer will be adjusted to reflect the funding contributions of each member of the Consortium. Depending on the acceptances received in respect of the Offer and based on the Revised Offer Price, it is expected that the eventual shareholding of the Offeror will be as follows:

Shareholder of the Offeror	Shareholding Percentage (%)
EIPL	30.88 to 43.12
EL	20.00 to 28.52
CSGL	20.00 to 28.52
RAL	12.08 to 16.87

2. DISCLOSURE OF INTERESTS IN COMPANY SECURITIES

2.1 Holdings in Company Securities

As at the Revised Latest Practicable Date, based on the latest information available to the Offeror, save for the Consortium Irrevocable Undertakings and the Additional Irrevocable Undertaking and save as set out below, none of the Offeror, the Directors or persons acting or deemed to be acting in concert with the Offeror owns, controls or has agreed to acquire any Company Securities:

Name	Number of Shares	Percentage of total number of issued Shares ⁽¹⁾
Offeror ⁽²⁾	4,007,800	0.61
OCE	3,178,000	0.49
OEY	5,967,200	0.91
Ms. Ong Bee Leem ⁽³⁾	151,440	0.02
EIPL ⁽⁴⁾	80,986,000	12.41

Name	Number of Shares	Percentage of total number of issued Shares ⁽¹⁾
Ms. Helen Chow ⁽⁵⁾	27,967,900	4.29
RAL ⁽⁶⁾	40,274,100	6.17
Bank of Singapore Limited ⁽⁷⁾	628,300	0.10
Mrs. Teoh Lian Ee and Mr. Teoh Sek Hong ⁽⁸⁾	29,000	Not meaningful

Notes:

- (1) The percentage shareholding interest is based on the total number of Shares of 652,661,100 Shares (excluding treasury Shares) as at the Revision Latest Practicable Date. Percentages are rounded to the nearest two (2) decimal places.
- (2) CSGL holds 29% of the ordinary shares of the Offeror. CSGL is wholly owned by Zen Capital, and Zen Capital is wholly owned by KC. Accordingly, KC has a deemed interest in the 4,007,800 Shares held by the Offeror.
- (3) Ms. Ong Bee Leem is OCE's daughter and OEY's sister
- (4) OEY holds 40% of the ordinary shares in EIPL. Accordingly, OEY has a deemed interest in the 80,986,000 Shares held by EIPL.
- (5) Ms. Helen Chow is KC's mother.
- (6) Mr. Seow Voon Ping ("**VP**") holds 50% of the ordinary shares in RAL. Accordingly, VP has a deemed interest in the 40,274,100 Shares held by RAL.
- (7) Bank of Singapore Limited is a wholly-owned subsidiary of OCBC. Bank of Singapore Limited holds the Shares for its clients' accounts on a strictly non-discretionary basis.
- (8) Mrs. Teoh Lian Ee is a director of Great Eastern Holdings Limited, a subsidiary of OCBC. Mrs. Teoh Lian Ee holds the Shares in a joint account with her spouse, Mr. Teoh Sek Hong.

2.2 Dealings in Company Securities

Based on the latest information available to the Offeror, the details of dealings in Shares during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Revised Latest Practicable Date by the Offeror, the Directors and persons acting in concert with the Offeror are set out below:

Name	Transaction Date	Transaction Type	No. of Shares	Transaction price per Share (S\$)
Offeror	18 May 2022	Acquisition	100,000	0.37
Offeror	7 June 2022	Acquisition	1,000,000	0.40
Offeror	8 June 2022	Acquisition	360,900	0.40

Name	Transaction Date	Transaction Type	No. of Shares	Transaction price per Share (S\$)
Bank of Singapore Limited ⁽¹⁾	9 June 2022	Acquisition	50,000	0.40
Offeror	15 June 2022	Acquisition	2,166,900	0.40
Offeror	16 June 2022	Acquisition	380,000	0.40

Notes:

- (1) Bank of Singapore Limited is a wholly-owned subsidiary of OCBC. Bank of Singapore Limited had acquired the Shares for its clients' accounts on a strictly non-discretionary basis.

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