

Voluntary Conditional Cash Offer  
with a View to Delist Chosen Holdings Limited

*Singapore, 2 September 2015* – Shaw Kwei & Partners Ltd. (“ShawKwei & Partners”) through its wholly-owned special purpose company Southshore Pte. Ltd (the “Offeror”), has launched a voluntary conditional cash offer (the “Offer”) of approximately US\$48 million (SGD\$68 million) for Chosen Holdings Limited (“Chosen”) with a view to delist Chosen from Singapore stock exchange (“SGX-ST”). ShawKwei & Partners is an Asian private equity fund manager with offices in Hong Kong and Singapore targeting investment opportunities in Asia’s manufacturing and service industries. ShawKwei & Partners manages investments to recharge their growth potential by strengthening business operations, pursuing new products and new markets, and improving efficiency and profitability.

This press release should be read in conjunction with the full text of the announcement released by the Offeror dated 1 September 2015 (the “Announcement”). A copy of the Announcement is available on [www.sgx.com](http://www.sgx.com)

#### CHOSEN BACKGROUND AND HISTORY

Chosen was established in 1986 by Aloysius Lim Cher Kia, currently the Chairman, and then listed on the Main Board of the SGX-ST in 1999. The principal business of its subsidiaries consist of plastic injection molding and sub-assembly of plastic products mainly for the computer peripherals, consumer electronics, automotive, medical devices, communication, semiconductor, and disk drive industries. Chosen also provides product design and development, mold design and fabrication, as well as electronics assembly services. Chosen operates advanced manufacturing facilities located in Singapore, Malaysia, Thailand and China (Dongguan, Wuxi and Shanghai). Chosen reported sales revenue of SGD117 million and net profit of SGD3.9 million for the year ending 30<sup>th</sup> June 2015

#### OFFER SUMMARY

The Offer is for all 282 million issued, paid-up, and outstanding ordinary shares of Chosen (“Shares”) conditional upon the Offeror receiving more than 50% of Shares by the closing date of the Offer. Currently the Offeror has received irrevocable undertakings from certain

shareholders including Chosen's Chairman and CEO to accept the Offer representing a combined 51% of Shares. The Offer price is S\$0.24 in cash for each Chosen share. It represents the highest price since August 2007. On the basis of the Offer price for each Chosen Share, the implied premium of the Offer price compared to recently trade prices of the Chosen Shares is as follows:

- a premium of 21% to the closing price on 31 August 2015, being the last full trading day prior to the release of the Announcement;
- a premium of 26% to the 1-month volume weighted average price ("VWAP") up to 31 August 2015;
- a premium of 33% to the 6-month VWAP up to 31 August 2015; and
- a premium of 39% to the 12-month VWAP up to 31 August 2015

## OFFER RATIONALE

ShawKwei & Partners believes that privatizing Chosen will provide the Offeror with more flexibility to manage the business of Chosen, reduce its costs of compliance and listing fees, and optimize the use of its management and capital resources. In the last 5 years, Chosen has not carried out any equity fund raising on the SGX-ST. The trading volume of Chosen on the SGX-ST has been generally low. The past year average trading volume is 212 thousand shares, which is less than 0.08% of shares outstanding, which ShawKwei & Partners views may not provide Shareholders with sufficient opportunity to efficiently exit their investment in Chosen. ShawKwei & Partners is of the view that it is therefore not beneficial for Chosen to maintain its listing on the SGX-ST.

## ABOUT SHAWKWEI & PARTNERS

ShawKwei & Partners is a private equity manager investing in middle-market companies with operations in China and other Asian locations. ShawKwei & Partners is dedicated to building better businesses by partnering with management to identify and realize sustainable performance improvements in areas such as revenue growth, margin expansion, and capital efficiency. Kyle Shaw is a pioneer in Asian private equity having managed investment portfolios since 1990 and establishing ShawKwei & Partners in 1999. With offices in Hong Kong and Singapore, ShawKwei & Partners has expertise in complicated corporate finance structures and deep knowledge of Asian business practices. ShawKwei & Partners focuses on industrial and service businesses with company valuations between US\$30-300 million.

## RESPONSIBILITY STATEMENT

The directors of ShawKwei & Partners (including any who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Press Release are fair and accurate and that no material facts have been omitted from this Press Release, the omission of which would make any statement in this Press Release misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, information relating to Chosen and its subsidiaries), the sole responsibility of the directors of the ShawKwei & Partners have been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Press Release.

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