

## VOLUNTARY CONDITIONAL CASH OFFER

By

**DEUTSCHE BANK AG, SINGAPORE BRANCH**



for and on behalf of

**TOLL EXPRESS (ASIA) PTE. LTD.**

(Company Registration No. 199307195M)  
(Incorporated in the Republic of Singapore)

for

**SEMBAWANG KIMTRANS LTD**

(Company Registration No 199408934C)  
(Incorporated in the Republic of Singapore)

### 1. Introduction

Deutsche Bank AG, Singapore Branch ("**Deutsche Bank**") wishes to announce, for and on behalf of Toll Express (Asia) Pte. Ltd. (the "**Offeror**"), that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") for all the remaining ordinary shares ("**Shares**") in the capital of Sembawang Kimtrans Ltd ("**SWKT**") in issue not already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**").

As at the date of this Announcement, the Offeror owns, controls or has agreed to acquire an aggregate of 106,080,000 Shares, representing approximately 26.04 per cent. of the total number of issued Shares<sup>1</sup>.

### 2. The Offer

In accordance with Rule 15 of The Singapore Code on Take-overs and Mergers, and subject to the terms and conditions set out in the formal offer document to be issued by Deutsche Bank, for and on behalf of the Offeror (the "**Offer Document**"), the Offeror will make the Offer for the Offer Shares at an offer price (the "**Offer Price**") on the following basis:

**For each Offer Share: S\$0.70 in cash.**

However, in the event that the Offeror acquires or agrees to acquire (or is deemed or treated under Section 215 of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**") as having acquired or agreed to acquire) not less than 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer (the "**Commencement Date**")) during the period from (and including) the Commencement Date up to (and including) the final closing date of the Offer (whether pursuant to valid acceptances of the Offer or otherwise) and is entitled to exercise the right to

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<sup>1</sup> The total numbers of issued Shares as at the date of this Announcement is 407,409,492 (as extracted from the Accounting and Corporate Regulatory Authority Instant Information Search done on SWKT on the date of this Announcement).

compulsorily acquire the remaining Shares pursuant to the terms of Section 215 of the Companies Act, the Offer Price will be as follows:

**For each Offer Share: S\$0.80 in cash.**

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 and hereafter attaching thereto (including all voting rights and the right to receive and retain all dividends and other distributions (if any) which may be announced, declared, paid or made thereon by SWKT on or after the date of this Announcement). If any dividend, other distribution or return of capital is declared, made or paid on or after the date of this Announcement, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, distribution or return of capital.

The Offer will be extended, on the same terms and conditions, to all new Shares unconditionally issued or to be issued pursuant to the valid exercise prior to the close of the Offer of any option (each, an "**Option**") to subscribe for new Shares granted under the Sembawang Kimtrans Ltd Share Option Plan (the "**Option Plan**"). For the purpose of the Offer, the expression "**Offer Shares**" shall include such Shares.

### 3. Condition

The Offer shall be subject to the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50 per cent. of the voting rights attributable to the issued share capital of SWKT as at the close of the Offer (including any voting rights attributable to the Shares issued or to be issued pursuant to the valid exercise of any Option prior to the close of the Offer).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50 per cent. of the maximum potential issued share capital of SWKT. For this purpose, the "**maximum potential issued share capital of SWKT**" means the total number of Shares which would be in issue had all the Options been validly exercised as at the date of such declaration.

### 4. Irrevocable Undertakings

As at the date of this Announcement, the Offeror has received irrevocable undertakings (each, an "**Undertaking**") from the shareholders of SWKT listed below (each, a "**Covenantor**") to the Offeror to, *inter alia*:

- (a) accept the Offer in respect of all the Shares held by the respective shareholders not later than 5.00 p.m. (Singapore time) on the date falling three Market Days after the date of despatch of the Offer Document, in accordance with the procedures to be prescribed in the Offer Document and the relevant form(s) of acceptance accompanying it. For the purposes of the Undertaking, "**Market Day**" shall mean a day on which the Singapore Exchange Securities Trading Limited ("**SGX-ST**") is open for trading of securities;

- (b) not, during the period commencing on the date of the Undertaking and ending on the date on which the Undertaking lapses, transfer, dispose of or create an encumbrance over their Shares (other than tender the Shares towards acceptance of the Offer or otherwise transfer the Shares to the Offeror);
- (c) not, during the period commencing on the date of the Undertaking and ending on the date on which the Undertaking lapses, take any action or omit to take any action which would cause them to breach their obligations under the Undertaking;
- (d) in their capacity as shareholder of SWKT, during the period commencing on the date of the Undertaking and ending on the date on which the Undertaking lapses, at any general meeting, vote against:
  - (i) any dividend or other distribution (whether in cash or otherwise) by SWKT;
  - (ii) any allotment or issue of shares or other securities convertible into shares, or grant of options or other rights to subscribe for shares, by SWKT;
  - (iii) the disposal by SWKT or its subsidiaries of any assets which are material or substantial in the context of SWKT and its subsidiaries taken as a whole or which would (regardless of whether or not they are transactions in the ordinary course of business) fall within the relevant thresholds in Rules 1013 or 1015 of the listing manual of the SGX-ST; and
  - (iv) the assumption of liabilities by SWKT or its subsidiaries of an amount material in the context of the financial condition of SWKT and its subsidiaries taken as a whole; and
- (e) not, during the period commencing on the date of the Undertaking and ending on the closing date of the Offer (as may be extended as mutually agreed by the parties), directly or indirectly, participate in, initiate, solicit or encourage any negotiations or discussions, or negotiate or discuss or participate in (including without limitation accepting any tender offer), any proposal with any person or entity (other than the Offeror and its advisers), relating to or concerning any transaction similar to, or having the same effect as, the Offer (including a scheme of arrangement, amalgamation proposal, capital restructuring, tender offer, joint venture or dual listed company structure) or any transaction pursuant to which (i) control of SWKT is conveyed, directly or indirectly, to a third party, or (ii) all or a substantial portion of SWKT's business, operations, undertakings or assets are sold or otherwise transferred to a third party.

As at the date of this Announcement, the Offeror has received the above Undertakings from the following Covenantors:

<b>S/No.</b>	<b>Name</b>	<b>Number of Shares</b>	<b>As a percentage of the issued share capital of SWKT</b>
1.	Kimtrans Singapore Pte Ltd	90,315,750	22.17%
2.	Tan Choon Hock	36,526,000	8.96%

In addition, Kimtrans Singapore Pte Ltd has also undertaken that unless the Offeror acquires or agrees to acquire (or is deemed or treated under Section 215 of the Companies Act as having acquired or agreed to acquire) at least 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date) during the period from (and including) the Commencement Date up to (and including) the final closing date of the Offer (whether pursuant to valid acceptances of the Offer or otherwise) and is entitled to exercise the right to compulsorily acquire the remaining Shares pursuant to the terms of Section 215 of the Companies Act, Kimtrans Singapore Pte Ltd shall irrevocably waive its right to receive five (5) per cent. of the amount payable in such circumstance for its Shares under the Offer (which amounts to S\$3,161,051.30 in the absence of any amended, revised or improved offer) and the payment of the reduced amount by the Offeror to Kimtrans Singapore Pte Ltd shall be deemed full satisfaction of the Offeror's payment obligation to Kimtrans Singapore Pte Ltd under the terms of the Offer.

All Undertakings shall lapse if for whatever reason, other than as a result of a breach by the Convenators of any of their obligations set forth in their Undertaking:

- (1) the Offer is withdrawn; or
- (2) Deutsche Bank, for and on behalf of the Offeror, fails to release the Announcement by 15 June 2007.

Save as disclosed in this Announcement, neither the Offeror nor any party acting in concert with it has received any irrevocable undertaking from any other party to accept or reject the Offer.

## 5. **Benchmarking the Offer**

The Offer Price represents:

	<b>Share Price (S\$)</b>	<b>Premium / (discount) implied by Offer Price of S\$0.70</b>	<b>Premium / (discount) implied by Offer Price of S\$0.80</b>
Last transacted price per Share on 12 June 2007, being the latest full trading day prior to this Announcement	0.710	(1.4%)	12.7%
Volume Weighted Average Price ("VWAP") of Shares traded in the last three (3) months prior to but including 12 June 2007, being the latest full trading day prior to this Announcement	0.695	0.7%	15.1%
VWAP of Shares traded in the last six (6) months prior to but including 12 June 2007, being the latest full trading day prior to this Announcement	0.687	1.8%	16.4%

	Share Price (S\$)	Premium / (discount) implied by Offer Price of S\$0.70	Premium / (discount) implied by Offer Price of S\$0.80
VWAP of Shares traded in the last 12 months prior to but including 12 June 2007, being the latest full trading day prior to this Announcement	0.663	5.6%	20.7%

The information above has been based on data extracted from Bloomberg.

## **6. Information on the Offeror**

The Offeror is a company incorporated in the Republic of Singapore and has its registered office at 5 Clementi Loop, Singapore 129816.

The Offeror's ultimate parent company, Toll Holdings Limited, is one of the Asian region's leading providers of integrated transport and logistics services.

The principal activities of the Offeror are those relating to supply chain management and investment holding.

The directors of the Offeror are Paul Alexander Little and Lee Whye Yee.

## **7. Rationale for the Offer**

The Offeror and SWKT have highly complementary businesses in terms of strategy, focus, capability, customers and industry segments with growth-oriented cultures. The companies will be able to leverage on each other's core capabilities and customers to:

- (a) advance their regional capability and network;
- (b) enhance product and service offerings;
- (c) increase market penetration; and
- (d) enhance growth momentum.

In the event that the Offeror acquires or agrees to acquire (or is deemed or treated under Section 215 of the Companies Act as having acquired or agreed to acquire) not less than 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date) during the period from (and including) the Commencement Date up to (and including) the final closing date of the Offer (whether pursuant to valid acceptances of the Offer or otherwise) and is entitled to exercise the right to compulsorily acquire the remaining Shares pursuant to the terms of Section 215 of the Companies Act, the Offeror intends to exercise its rights of compulsory acquisition under section 215(1) of the Companies Act. In addition, the Offeror intends to seek a delisting of SWKT from the Mainboard of the SGX-ST.

**8. Disclosures of Shareholdings and Dealings**

Save as disclosed in this Announcement, none of the Relevant Persons (a) owns, controls or has agreed to acquire any Shares as at the date of this Announcement; or (b) has dealt for value in any Shares during the three (3) month period immediately preceding the date of this Announcement.

For the purposes of this Announcement, "**Relevant Persons**" shall mean:

- (i) the Offeror, its wholly-owned subsidiaries and its directors; and
- (ii) the Deutsche Bank entities in Singapore and Sydney, Australia that are regarded as acting in concert with the Offeror.

In the interests 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 them in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course subsequently and in the Offer Document. For the same reason, Deutsche Bank has not made any enquiries in respect of other members of the Deutsche Bank group. Deutsche Bank will be making the necessary enquiries in respect of other members of the Deutsche Bank group and the relevant disclosures will be made in due course subsequently and in the Offer Document.

**9. Confirmation of Financial Resources**

Deutsche Bank, as financial advisor to the Offeror, confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances in respect of the Offer.

**10. Offer Document**

The Offer Document setting out the terms and conditions of the Offer and enclosing the relevant form(s) of acceptance will be despatched to holders of Offer Shares not earlier than 14 days and not later than 21 days from the date of this Announcement.

Shareholders are advised to exercise caution when dealing in the Shares.

**11. Responsibility Statement**

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement.

Where any information has been extracted from published or otherwise publicly available sources or obtained from SWKT, the sole responsibility of the directors of the Offeror has been to ensure that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Issued by  
**DEUTSCHE BANK AG, SINGAPORE BRANCH**  
for and on behalf of  
**TOLL EXPRESS (ASIA) PTE. LTD.**

13 June 2007

#### *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 of SWKT and investors should not place undue reliance on such forward-looking statements, and none of the Offeror and Deutsche Bank undertakes any obligation to update publicly or revise any forward-looking statements.*