

**UNIONMET (SINGAPORE) LIMITED**  
(the “Company”)  
(Incorporated in Singapore)  
(Company Registration No.: 200409104W)

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**UPDATE ON PROPOSED ACQUISITION OF LAND**

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*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company’s announcement in relation to the proposed acquisition of land dated 4 August 2011 (the “First Announcement”).*

**1. INTRODUCTION**

Further to the First Announcement, the Board of Unionmet (Singapore) Limited (the “**Company**”, or together with its subsidiaries, to be referred to as the “**Group**”) wishes to announce that Intai has on 23 September 2011 entered into a land use right transfer agreement (the “**Agreement**”) with the Liucheng Government to acquire the land use rights, with a duration of fifty (50) years, of a piece of industrial land with an area of approximately 54.48 mu (equivalent to approximately 36,318.85 square metres) located in Liutang District of Industrial Zone of Liucheng County (the “**Liucheng Land**”) after entering a successful bid in the public auction by Liucheng Land Bureau (柳城县土地局) of the Liucheng Land to accommodate Intai’s business operations (the “**Proposed Acquisition**”).

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, each of Liucheng Land Auction Office (柳城县土地拍卖办公室) and Liucheng Land Bureau (柳城县土地局) is a third party independent of the Group, the Directors and the controlling shareholders of the Company.

**2. CONSIDERATION**

Pursuant to the terms and conditions of the Agreement, it is agreed that the total consideration (the “**Consideration**”) for the Acquisition is RMB 4.9 million (equivalent to approximately US\$0.8 million, based on the exchange rate of RMB1 : US\$0.1596 on the close of the market day preceding the date of the Agreement, published by The Business Times), and the Consideration was determined through a public bidding process at the auction. A deposit of RMB4 million has been paid by the Company on the date of application for the bidding and now formed part of the Consideration.

The Company will pay the remaining Consideration of RMB0.9 million within 30 days of the land sales confirmation by the Liucheng Land Bureau.

The Company shall satisfy the Consideration through the Group’s internal resources.

As at 22 September 2011, being the market day preceding the date of the Agreement, the relative figures for the Proposed Acquisition computed on the applicable bases set out in Rule 1006 of the Listing Manual are set out below.

<b>Rule 1006</b>	<b>Bases</b>	<b>Relative Figures (%)</b>
(a)	Net asset value of the assets to be disposed of, compared with the Group’s net asset value	Not applicable

Rule 1006	Bases	Relative Figures (%)
(b)	Net profits attributable to the assets acquired compared with the Group's net profits	Not applicable <sup>(1)</sup>
(c)	The aggregate value of US\$782,040 <sup>(2)</sup> for the total estimated consideration for the Proposed Acquisition, compared with the Company's market capitalisation of US\$18.2 million <sup>(3)</sup>	4.30%
(d)	Number of equity securities issued as consideration for the acquisition, compared with the number of equity securities previously issued	Not applicable

Notes:

- (1) There is no past profit and loss contribution for the Liucheng Land to be acquired.
- (2) The Consideration of RMB4.9 million is calculated based on the exchange rate of RMB1 : US\$0.1596 on the close of the market day preceding the date of the Agreement, published by The Business Times.
- (3) The market capitalisation of US\$18.2 million is calculated based on the weighted average share price of S\$0.038 on the market day preceding the date of the Agreement, 613,553,995 issued shares and the exchange rate of US\$1 : S\$1.281 on the close of the market day preceding the date of the Agreement, published by The Business Times.

Accordingly, as the relative figures computed on the bases set out in Rule 1006 are below 5%, the Proposed Acquisition constitutes a non-discloseable transaction under Rule 1008 of the Listing Manual.

### 3. INTERESTS OF DIRECTORS AND/OR CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company has any direct or indirect interest in the Proposed Acquisition.

None of the Directors of the Company will be entering into any service contracts in connection with the Proposed Acquisition.

**Shareholders and other investors are reminded to exercise caution when dealing in the Shares. In the event that Shareholders and other investors are in doubt when dealing in the Shares, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

On behalf of the Board of  
UNIONMET (SINGAPORE) LIMITED

Meng Limin  
Executive Director & Chief Executive Officer

27 September 2011