

AUSWIN HOLDINGS LIMITED
(Formerly known as Middle East Development Singapore Ltd.)
(Company Registration No. 196600189D)
(Incorporated in Singapore)

**WHITEWASH APPLICATION FOR THE TRANCHE 2 SHARES
AND OPTION SHARES**

Unless otherwise specified, capitalised words in this announcement have the same meaning ascribed to them in the announcement dated 24 July 2009.

Further to the announcements on 24 July 2009, 8 October 2009, 18 December 2009, and 23 December 2009 in relation to the Proposed Subscription, the board of directors of the Company (the “**Board**”) wishes to announce the following:-

The Securities Industry Council (the “**SIC**”) had granted a whitewash waiver (the “**Waiver**”) for the Proposed Subscription on 3 September 2009 and the shareholders of the Company had approved the whitewash resolution for the Proposed Subscription (the “**Whitewash Resolution**”) on 10 November 2009.

Paragraph 3(i) of the Waiver reads that:

“to rely on the Whitewash Resolution, the acquisition of the (Proposed) Subscription Shares and the Options by the Subscriber and its concert parties must be completed within 3 months of the approval of the Whitewash Resolution and the acquisition of the Options Shares by the Subscriber and its concert parties upon the exercise of the Options must be completed within 5 years of the issue of the Options;”

Given that the Whitewash Resolution was approved on 10 November 2009, this term of the Waiver would require the Proposed Subscription to be completed by 10 February 2010.

However, Tranche 2 of the Proposed Subscription had not taken place by 10 February 2010. The reason why the Company and the Subscriber did not complete the Tranche 2 subscription within the three-month period or by 10 February 2010, was that at that point in time the Company did not need the proceeds from the issue of the Tranche 2 Shares as it had sufficient funds for its operational needs. Furthermore, there had been no projects identified in which the Company could deploy the expected S\$20 million from Tranche 2 of the Proposed Subscription and the placement of such funds in low yielding deposits, pending deployment, would not be an efficient use of funds. The Subscriber had, in the mean time, also deployed their funds for other purposes, pending the completion of the Tranche 2 on or before 23 June 2010.

The Waiver had accordingly expired on 10 February 2010, and the Company had on 11 March 2010 applied for a new whitewash waiver for the Subscriber and its concert parties from having to make a general offer for the Company in the event that their aggregate shareholding increases by more than 1% based on the enlarged issued share capital of the Company in any 6-month period, as a result of: (a) the allotment and issue of the Tranche 2 Shares to the Subscriber; and/or (b) the allotment and issue of the Option Shares to the Subscriber and/or the transferee(s) upon the exercise of the Options (the

“New Whitewash Waiver”). The Board is pleased to inform that the SIC granted the New Whitewash Waiver subject to *inter alia*:-

- (a) a majority of the holders of voting rights of the Company approve at a general meeting, before the issue of the Tranche 2 Shares to the Subscriber, a resolution (the **“Resolution”**) by way of a poll to waive their rights to receive a general offer from the Subscriber and its concert parties; and
- (b) the Company appoints an independent financial adviser (**“IFA”**) to advise its independent shareholders on the New Whitewash Resolution.

Next steps

Accordingly, the Company has appointed SAC Capital Private Limited as IFA for the aforesaid purpose and will be convening an extraordinary general meeting to seek the approval of the Company’s shareholders to waive the requirement of the Subscriber making a mandatory general offer to acquire all the other Shares in the Company not already owned by them. A circular providing details on the above and giving notice to convene the extraordinary general meeting will be dispatched to the Company’s shareholders on 28 April 2010.

By Order of the Board

Ong Soon Teik
Executive Director and Chief Operating Officer

27 April 2010

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Stamford Corporate Services Pte Ltd (the **“Sponsor”**), for compliance with the relevant rules of Singapore Exchange Securities Trading Limited (the **“Exchange”**). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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