

SunEdison Semiconductor Ltd  
Form PREM14A  
September 16, 2016  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A INFORMATION**  
**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-2

**SUNEDISON SEMICONDUCTOR LIMITED**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- .. No fee required.
- x Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

Ordinary Shares, no par value, of SunEdison Semiconductor Limited

(2) Aggregate number of securities to which transaction applies:

As of September 12, 2016, 40,310,630 ordinary shares; 1,794,617 ordinary shares issuable upon the exercise of stock options with exercise prices below \$12.00 per share; and 2,319,374 ordinary shares underlying restricted share units.

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

The maximum aggregate value was determined based upon the sum of: (i) 40,310,630 ordinary shares multiplied by \$12.00 per share; (ii) options to purchase 1,794,617 ordinary shares with exercise prices below \$12.00 per share multiplied by \$5.92 (the difference between \$12.00 and the weighted average exercise price of \$6.08 per share); and (iii) 2,319,374 ordinary shares underlying restricted share units multiplied by \$12.00 per share. In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filed fee was determined by multiplying the sum calculated in the preceding sentence by 0.0001007.

(4) Proposed maximum aggregate value of transaction:

\$522,184,181

(5) Total fee paid:

\$52,584

.. Fee paid previously with preliminary materials.

..

Edgar Filing: SunEdison Semiconductor Ltd - Form PREM14A

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

**PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION**

**SunEdison Semiconductor Limited**

**(Incorporated in the Republic of Singapore)**

**(Company Registration Number 201334164H)**

**11 Lorong 3 Toa Payoh,**

**Singapore 319579**

Dear Shareholder,

You are cordially invited to attend a meeting of SunEdison Semiconductor Limited ( "SSL" or the "Company" ) on [ ], 2016 at [ ] a.m. Central Time directed to be convened by the High Court of the Republic of Singapore, which we refer to as the Singapore court. On August 17, 2016, the Company entered into an implementation agreement with GlobalWafers Co., Ltd. ( "GWC" ) and GWafers Singapore Pte. Ltd. ( "Acquiror" ), a direct wholly owned subsidiary of GWC, pursuant to which Acquiror proposes to acquire all of the Company's outstanding ordinary shares (other than those held by GWC, Acquiror and their subsidiaries) for \$12.00 per share, in cash, without interest. After the completion of the transaction, the Company will be a direct wholly owned subsidiary of Acquiror, and an indirect wholly owned subsidiary of GWC.

The acquisition of the Company's ordinary shares will be implemented by an administrative procedure supervised by the Singapore court known as a scheme of arrangement, which we refer to generally as the scheme. The governing document of the scheme is the document referred to as the scheme of arrangement. The Company's shareholders must adopt and approve the scheme of arrangement at a meeting that is directed to be convened by the Singapore court rather than by the Company. This is why, throughout the attached proxy statement, we refer to the meeting as the Court Meeting. The Court Meeting is not held in the Singapore court. For the convenience of all, the Court Meeting will be held at [ ]. At the Court Meeting, you will be asked to consider and vote upon a proposal to adopt and approve the scheme of arrangement. The Singapore court must also approve the scheme of arrangement.

**After careful consideration, our board of directors has unanimously determined that it is in the interests of the Company that the Company enter into the implementation agreement and consummate the transaction with GWC and Acquiror, and unanimously recommends that you vote FOR the adoption and approval of the scheme of arrangement.**

**Your vote is very important, regardless of the number of the Company's ordinary shares that you own.** We cannot consummate the transaction with GWC unless the scheme of arrangement is adopted and approved by the affirmative vote of a majority in number (unless the Singapore court orders otherwise) of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, representing not less than 75% in value of the Company's ordinary shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting. For purposes of this proxy statement, Scheme Shareholders refer to (a) persons who are registered as holders of the Company's ordinary shares in the Register of Members of the Company, other than CEDE & Co., GWC, Acquiror and their subsidiaries, and (b) persons other than GWC, Acquiror and their subsidiaries, that are registered as holders of the Company's ordinary shares in book entry form on the register of The Depository Trust Company, which

shares are held through CEDE & Co. as the registered holder of such Company ordinary shares on the Register of Members of the Company.

**Table of Contents**

The attached proxy statement provides you with detailed information about the Court Meeting, the implementation agreement and the scheme. A copy of the implementation agreement is attached as **Annex A** to the proxy statement, and a copy of the scheme of arrangement is attached as **Annex B**. We encourage you to read the proxy statement, the implementation agreement and the scheme of arrangement carefully and in their entirety. You may also obtain information about the Company from documents we have filed with the Securities and Exchange Commission.

Whether or not you plan to attend the Court Meeting in person, please sign, date and return, as promptly as possible, the enclosed proxy card in the accompanying prepaid reply envelope. If you attend the Court Meeting and vote in person by ballot, your vote will revoke any proxy that you have previously submitted.

If you hold your shares in street name, you should instruct your bank, broker or other nominee how to vote your shares in accordance with the voting instruction form that you will receive from your bank, broker or other nominee. Your bank, broker or other nominee cannot vote on the proposal to adopt and approve the scheme of arrangement, without your instructions.

If you have any questions or need assistance voting your ordinary shares, please contact our proxy solicitor:

**D.F. King & Co., Inc.**

**48 Wall Street**

**New York, NY 10005**

**Attn: Richard Grubaugh**

**(888) 869-7406**

Thank you in advance for your continued support and your consideration of this matter.

Sincerely,

SHAKER SADASIVAM

*Director, President and Chief Executive  
Officer*

**Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the transaction, passed upon the merits or fairness of the transaction described in this document or passed upon the adequacy or accuracy of the disclosure herein. Any representation to the contrary is a criminal offense.**

This proxy statement is dated [ ], 2016 and is first being mailed to shareholders on or about [ ], 2016.

**Table of Contents**

**PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION**

**NOTICE OF COURT MEETING**

**IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

Originating Summons )

Number [ ] )

In the Matter of

SunEdison Semiconductor Limited

(RC No. **201334164H**)

and

In the Matter of Section 210 of

the Companies Act, Chapter 50

**SCHEME OF ARRANGEMENT**

under Section 210 of the Companies Act, Chapter 50

between

SunEdison Semiconductor Limited

and

the Scheme Shareholders (as defined herein).

and

GWafers Singapore Pte. Ltd.

and

GlobalWafers Co., Ltd

**NOTICE OF COURT MEETING**

NOTICE IS HEREBY GIVEN that by an Order of Court dated [ ], 2016 made in the above matter, the High Court of the Republic of Singapore (the Court ) has directed a Court Meeting to be convened of the Scheme Shareholders (as defined in the Schedule below) of the Company, and such Court Meeting shall be held at [ ] on [ ], 2016 at [ ] a.m. Central Time, for the purpose of considering and, if thought fit, adopting and approving (with or without modification) the following resolution:

That the Scheme of Arrangement dated [ ], 2016 proposed to be made pursuant to Section 210 of the Companies Act, Chapter 50 of Singapore, between (a) SunEdison Semiconductor Limited, (b) the Scheme Shareholders, (c) GlobalWafers Co., Ltd. and (d) GWafers Singapore Pte. Ltd., a copy of which has been circulated with the Notice convening this Court Meeting, be and is hereby adopted and approved.

A copy of the scheme of arrangement (the Scheme of Arrangement ) and the information required to be furnished pursuant to Section 211 of the Companies Act, Chapter 50 of Singapore, are incorporated in the printed document of which this Notice forms a part.



**Table of Contents**

A Scheme Shareholder may vote in person at the Court Meeting or may appoint one (and not more than one) person, whether a member of SunEdison Semiconductor Limited or not, as his or her proxy to attend and vote in his or her stead.

**NOTICE OF COURT MEETING**

A form of proxy applicable for the Court Meeting is enclosed with the proxy statement of which this Notice forms a part.

It is requested that forms appointing proxies be lodged with Vote Processing, care of Broadridge, 51 Mercedes Way, Edgewood, New York, 11717, not later than [ ], 2016, and if the forms are not so lodged, they must be handed to the Chairman of the Court Meeting.

In the case of joint Scheme Shareholders, any one of such persons may vote, but if more than one of such persons are present at the Court Meeting, the person whose name stands first on the Register of Members of SunEdison Semiconductor Limited shall alone be entitled to vote.

By the said Order of Court, the Court has appointed Antonio R. Alvarez, or failing him, any other director of the Company, to act as Chairman of the said Court Meeting and has directed the Chairman to report the results thereof to the Court.

The Scheme of Arrangement will be subject to the subsequent approval of the Court.

**THE SCHEDULE**

| <b>Expression</b>          | <b>Meaning</b>  |
|----------------------------|---|
| <b>Scheme Shareholders</b> | (a) Persons who are registered as holders of ordinary shares of SunEdison Semiconductor Limited in the Register of Members of SunEdison Semiconductor Limited, other than CEDE & Co., GlobalWafers Co., Ltd., GWafers Singapore Pte. Ltd. and their subsidiaries; and<br><br>(b) persons, other than GlobalWafers Co., Ltd., GWafers Singapore Pte. Ltd. and their subsidiaries, who are registered as holders of ordinary shares of SunEdison Semiconductor Limited in book entry form on the register of The Depository Trust Company, which shares are held through The Depository Trust Company's nominee CEDE & Co., as the registered holder of such ordinary shares on the Register of Members of SunEdison Semiconductor Limited. |

Dated this [ ], 2016

RAJAH & TANN SINGAPORE LLP

9 Battery Road #25-01

Straits Trading Building

Singapore 049910

Solicitors for the Company

**Table of Contents**

**Additional Information**

**For questions about the transaction, assistance in submitting proxies or to request additional copies of the proxy statement or the enclosed proxy card, please contact our proxy solicitor:**

**D.F. King & Co., Inc.**

**48 Wall Street**

**New York, NY 10005**

**Attn: Richard Grubaugh**

**Shareholders May Call Toll-Free: (888) 869-7406**

**Banks and Brokers May Call Collect: (212) 269-5550**

**Email: [semi@dfking.com](mailto:semi@dfking.com)**

**Registered holders of Company ordinary shares who have questions regarding their share ownership may write to the Company's transfer agent, Computershare Investor Services, L.L.C., by first class, registered or certified mail at P. O. Box 30170, College Station, Texas 77842-3170, or by overnight courier at 211 Quality Circle, Suite 210, College Station, Texas 77845. Registered holders may call Computershare Investor Services, L.L.C. toll-free at (877) 373 6374 or non toll-free at (781) 575-2879.**

**Table of Contents**

**Table of Contents**

|   | <b>Page</b> |
|---|-------------|
| <b><u>QUESTIONS AND ANSWERS ABOUT THE TRANSACTION AND THE COURT MEETING</u></b>         | 1           |
| <u>The Transaction</u>  | 1           |
| <u>The Court Meeting</u>  | 5           |
| <b><u>SUMMARY</u></b>   | 8           |
| <u>Parties to the Transaction</u>   | 8           |
| <u>The Court Meeting</u>  | 9           |
| <u>Recommendation of the Company's Board of Directors</u>                               | 9           |
| <u>The Scheme</u>   | 10          |
| <u>Opinion of the Company's Financial Advisors</u>                                      | 10          |
| <u>Treatment of Company Stock Options and Restricted Share Units in the Transaction</u> | 11          |
| <u>Interests of Directors and Executive Officers in the Transaction</u>                 | 12          |
| <u>Conditions to Completion of the Transaction</u>                                      | 12          |
| <u>No Solicitation</u>  | 13          |
| <u>Termination of the Implementation Agreement</u>                                      | 14          |
| <u>Termination Fees</u>   | 16          |
| <u>Financing of the Transaction</u>   | 17          |
| <u>Expenses</u>   | 17          |
| <u>Material U.S. Federal Income Tax Consequences of the Transaction</u>                 | 17          |
| <u>Regulatory Matters</u>   | 17          |
| <b><u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u></b>                      | 19          |
| <b><u>THE COURT MEETING</u></b>   | 20          |
| <u>Date, Time and Place of the Court Meeting</u>  | 20          |
| <u>Purpose of the Court Meeting</u>   | 20          |
| <u>Persons Entitled to Vote; Quorum; Vote Required</u>                                  | 20          |
| <u>Proxies and Voting Procedures</u>  | 21          |
| <u>Mailing of Proxy Statement</u>   | 22          |
| <u>Registered Office</u>  | 22          |
| <u>Abstentions and Broker Non-Votes</u>   | 22          |
| <u>Adjournments</u>   | 22          |
| <u>Cost of Proxy Distribution and Solicitation</u>                                      | 22          |
| <b><u>PARTIES TO THE TRANSACTION</u></b>  | 23          |
| <b><u>THE TRANSACTION</u></b>   | 24          |
| <u>Background of the Transaction</u>  | 24          |

|  |    |
|--|----|
| <u>Recommendation of the Company's Board of Directors: Reasons for the Transaction</u> | 31 |
| <u>The Scheme of Arrangement; Special Factors Regarding the Scheme</u>                 | 34 |
| <u>Opinion of the Company's Financial Advisors</u>                                     | 38 |
| <u>Certain Unaudited Prospective Financial Information</u>                             | 49 |

**Table of Contents**

|   | <b>Page</b> |
|---|-------------|
| <u>Financing of the Transaction: Treatment of Existing Indebtedness</u>               | 51          |
| <u>Interests of the Company's Directors and Executive Officers in the Transaction</u> | 52          |
| <u>Interests of GWC and its Directors and Officers in the Transaction</u>             | 58          |
| <u>Delisting and Deregistration of the Company's Ordinary Shares</u>                  | 58          |
| <u>Regulatory Approvals Required for the Transaction</u>                              | 58          |
| <u>Material U.S. Federal Income Tax Consequences of the Transaction</u>               | 59          |
| <b><u>THE IMPLEMENTATION AGREEMENT</u></b>  | 62          |
| <u>The Transaction</u>  | 62          |
| <u>Consideration to be Received in the Transaction</u>                                | 63          |
| <u>Representations and Warranties</u>   | 63          |
| <u>Conduct of Business Pending the Transaction</u>                                    | 65          |
| <u>Other Agreements</u>   | 68          |
| <u>Conditions to Completion of the Transaction</u>                                    | 72          |
| <u>Closing of the Transaction</u>   | 76          |
| <u>No Solicitation</u>  | 76          |
| <u>Termination of the Implementation Agreement</u>                                    | 80          |
| <u>Effect of Termination</u>  | 82          |
| <u>Termination Fees</u>   | 82          |
| <u>Expenses</u>   | 83          |
| <u>Employee Matters</u>   | 83          |
| <u>Indemnification and Insurance</u>  | 84          |
| <u>Amendment; Extension; Waiver</u>   | 84          |
| <u>Governing Law</u>  | 85          |
| <b><u>THE SCHEME OF ARRANGEMENT</u></b>   | 86          |
| <u>Structure of the Scheme</u>  | 86          |
| <u>Effective Date of the Scheme</u>   | 86          |
| <u>Scheme Price</u>   | 86          |
| <u>Scheme Consideration Entitlement</u>   | 86          |
| <u>Share Certificates</u>   | 86          |
| <u>Governing Law</u>  | 86          |
| <b><u>FUTURE SHAREHOLDER PROPOSALS</u></b>  | 87          |
| <b><u>MARKET PRICES OF ORDINARY SHARES</u></b>  | 88          |
| <b><u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u></b>          | 89          |
| <u>Beneficial Ownership of Principal Shareholders of the Company</u>                  | 89          |
| <u>Beneficial Ownership of Ordinary Shares by Directors and Management</u>            | 89          |
| <b><u>HOUSEHOLDING OF PROXIES</u></b>   | 91          |
| <b><u>WHERE YOU CAN FIND MORE INFORMATION</u></b>                                     | 91          |
| <u>Annex A Implementation Agreement</u>   | A-1         |
| <u>Annex B Scheme of Arrangement</u>  | B-1         |
| <u>Annex C Opinion of Barclays Capital Inc.</u>                                       | C-1         |
| <u>Annex D Opinion of Australia and New Zealand Banking Group Limited</u>             | D-1         |

Table of Contents

**QUESTIONS AND ANSWERS ABOUT  
THE TRANSACTION AND THE COURT MEETING**

The following questions and answers briefly address some commonly asked questions about the proposed transaction with GlobalWafers Co., Ltd. and GWafers Singapore Pte. Ltd., including the implementation agreement, the scheme and the Court Meeting. This section may not address every question you have or include all the information that is important to you. SunEdison Semiconductor Limited urges shareholders to carefully read this entire proxy statement, including the annexes and the other documents referred to herein.

Except as specifically noted in this proxy statement, the terms Company, we, our or us and similar words refer to SunEdison Semiconductor Limited, including in certain cases its subsidiaries. Throughout this proxy statement, we refer to GlobalWafers Co., Ltd. as GWC and GWafers Singapore Pte. Ltd. as the Acquiror. Additionally, unless otherwise specified, references to \$ refer to the legal currency of the United States.

Shareholder votes are important. We encourage our shareholders to vote as soon as possible. For more specific information on how to vote, please see the questions and answers in the The Court Meeting section below.

**The Transaction**

***Q: What is the Transaction?***

A: The Company, GWC and Acquiror have entered into an implementation agreement pursuant to which Acquiror proposes to acquire all of the outstanding ordinary shares of the Company (other than those held by GWC, Acquiror and their subsidiaries) for \$12.00 per share in cash, without interest, which we refer to as the scheme price. The acquisition of all of the Company's ordinary shares is implemented through a process called a scheme that is supervised by the Singapore court under Section 210 of the Companies Act, Chapter 50 of Singapore, in which a company proposes a transaction to its shareholders and which, if adopted and approved by the requisite statutory majority of shareholders, is binding on all shareholders once it is sanctioned by the Singapore court and becomes effective. The governing document of the scheme is called the scheme of arrangement, and it describes the technical aspects of the scheme, or how the acquisition of the Company's ordinary shares will be effected. The implementation agreement, among other things, describes the terms and conditions for the acquisition of the Company's ordinary shares. Together, the transactions contemplated by the implementation agreement and the scheme of arrangement are the Transaction for purposes of this proxy statement. The implementation agreement and the scheme of arrangement are attached to this proxy statement as **Annex A** and **Annex B**, respectively. We encourage you to review both documents in their entirety.

***Q: What will the Company's shareholders receive when the Transaction occurs?***

A: For every Company ordinary share held at the effective time of the Transaction, the Company's shareholders (other than GWC, Acquiror and their subsidiaries) will be entitled to receive \$12.00 in cash, without interest, less any applicable withholding taxes.

***Q: How does the scheme price compare to the market price of the Company's ordinary shares?***

A: The scheme price of \$12.00 per share to be received by the Company's shareholders represents a premium of approximately (i) 226.1% over the closing price of the Company's ordinary shares on the Nasdaq Global Select Market on February 17, 2016, the last completed trading day prior to the date that the Company announced that it had received unsolicited indications of interest and would be considering its strategic alternatives, (ii) 103.4% over the average closing price for the Company's ordinary shares on the Nasdaq



**Table of Contents**

Global Select Market for the 90 trading days preceding the Company's announcement that it entered into the implementation agreement, and (iii) 44.9% over the closing price of the Company's ordinary shares on the Nasdaq Global Select Market on August 17, 2016, the last completed trading day prior to the Company's announcement that it entered into the implementation agreement.

The closing sale price of a Company ordinary share on the Nasdaq Global Select Market on [ ], which was the last practicable trading day before this proxy statement was printed, was [ ]. You are encouraged to obtain current market quotations for the Company's ordinary shares in connection with voting your shares.

***Q: When do you expect the Transaction to be completed?***

A: The Transaction is subject to various closing conditions, including Company shareholder approval, sanction by the Singapore court, and regulatory approvals. We hope to complete the transaction prior to the end of 2016.

***Q: How does the Company's board of directors recommend that I vote on the proposal to adopt and approve the scheme of arrangement?***

A: The Company's board of directors unanimously determined that it is in the interest of the Company that the Company enter into the implementation agreement and consummate the Transaction, and unanimously recommends that you vote **FOR** the adoption and approval of the scheme of arrangement.

You should read the section entitled "The Transaction" Reasons for the Transaction; Recommendation of the Company's Board of Directors beginning on page 31.

***Q: What effects will the Transaction have on the Company?***

A: As a result of the Transaction, the Company will cease to be a standalone public company and will be a direct wholly owned subsidiary of Acquiror, and an indirect wholly owned subsidiary of GWC. The Company's ordinary shares will no longer be publicly traded and will be delisted from the Nasdaq Global Select Market. In addition, the Company's ordinary shares will be deregistered under the United States Securities Exchange Act of 1934, as amended (the "Exchange Act") upon application to the U.S. Securities and Exchange Commission (the "SEC"), and we will no longer file periodic reports with the SEC.

***Q: What will happen in the Transaction to the Company's stock option awards?***

A: Each Company stock option, whether or not vested or exercisable, that is unexpired, unexercised and outstanding immediately prior to the effective time of the scheme, and that has a per share exercise price that is less than the scheme price of \$12.00, will vest and terminate in its entirety at the effective time, and the holder of each such stock option will be entitled to receive an amount in cash funded by GWC or Acquiror equal to the product of: (i) the excess of (x) \$12.00 over (y) the per share exercise price of such option, and (ii) the number of ordinary

shares underlying each such option, which amount will be paid less any applicable withholding taxes. To the extent any unexpired and outstanding company stock option has an exercise price that is equal to or greater than the scheme price of \$12.00, such option will be terminated immediately prior to the effective time, and the holder thereof shall be entitled to no consideration in connection with such cancellation.

***Q: What will happen in the Transaction to the Company's restricted share unit awards?***

A: Company restricted share units ( RSUs or Company RSUs ) issued and outstanding immediately prior to the effective time of the scheme shall vest in their entirety and each such Company RSU so vested will thereupon be converted into the right to receive a cash payment with respect thereto equal to the scheme

**Table of Contents**

price of \$12.00 per share, less any applicable withholding taxes. With respect to any award of Company RSUs that vests in whole or in part upon the achievement of one or more performance goals, the number of Company RSUs to be accelerated pursuant to such award shall be determined by assuming achievement of the applicable performance goal(s) at 100% of the target level.

***Q: Do any of the Company's directors or executive officers have interests in the Transaction that may differ from those of the Company's shareholders?***

A: Yes, some of our directors and executive officers may have interests in the Transaction that are different from, or in addition to, the interests of the Company's shareholders generally. The Company's board of directors was aware of and considered these interests, among other matters, in reaching its decision to approve entry into the implementation agreement and the consummation of the Transaction. See *The Transaction Interests of the Company's Directors and Executive Officers in the Transaction* beginning on page 52 for a description of such interests.

***Q: What are the material U.S. federal income tax consequences of the Transaction to the Company's shareholders?***

A: The receipt of cash for Company ordinary shares by U.S. holders (as defined in *The Transaction Material U.S. Federal Income Tax Consequences of the Transaction*, below) pursuant to the Transaction will be a taxable transaction for U.S. federal income tax purposes. In general, for U.S. federal income tax purposes, a U.S. holder of the Company's ordinary shares will recognize gain or loss in an amount equal to the difference, if any, between (i) the amount of cash received in the Transaction and (ii) the U.S. holder's adjusted tax basis in the shares. Non-U.S. holders (as defined in *The Transaction Material U.S. Federal Income Tax Consequences of the Transaction*, below) of the Company's ordinary shares generally will not be required to pay U.S. federal income tax on the receipt of cash in exchange for the Company's ordinary shares in the Transaction unless such non-U.S. holder has certain connections to the United States. See *The Transaction Material U.S. Federal Income Tax Consequences of the Transaction* beginning on page 59 for a more detailed discussion of the tax treatment of the Transaction.

**Shareholders, including non-U.S. shareholders, should consult their own tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the Transaction in light of their particular circumstances.**

***Q: Should I send in my share certificates or other proof of ownership now?***

A: No. Promptly after the effectiveness of the scheme, shareholders listed on the Register of Members of the Company (the registered shareholders), other than GWC, Acquiror and their subsidiaries, that hold certificated ordinary shares will be sent a letter of transmittal describing the procedures to submit share certificates to the address of the share registrar (transfer agent) of the Company. If you are a registered shareholder and you hold your shares in book entry form, there is nothing that you need to submit to the Company's share registrar. CEDE & Co., which holds the Company's ordinary shares as nominee for The Depository Trust Company, is a

registered shareholder. If you are a street name holder, meaning that you hold your Company ordinary shares through your broker, your shares are technically held by The Depository Trust Company, and the procedures for voting at the Court Meeting and payment of the scheme consideration are somewhat different, as described in the questions and answers below in The Court Meeting, and elsewhere in this proxy statement.

***Q: How will I be paid the scheme consideration?***

A: On or prior to the effective date of the scheme, GWC or Acquiror will deposit with the paying agent cash in an amount equal to the aggregate scheme consideration payable to all registered shareholders (other than GWC, Acquiror and their subsidiaries) as of the effective date of the scheme, as payment for all Company

**Table of Contents**

ordinary shares held by such registered shareholders. The paying agent will (i) send to each registered shareholder a check payable to such registered shareholder, or (ii) credit the designated bank account of each registered shareholder with an amount equal to the aggregate scheme consideration payable with respect to the Company ordinary shares held by such shareholder, net of applicable withholding tax, if any, as payment for the transfer of such Company ordinary shares to Acquiror under the scheme. If you are not a registered shareholder and instead your shares are held in street name by your brokerage firm, bank, trust or other nominee, your account will be credited in accordance with your brokerage firm, bank, trust or other nominee's applicable procedures.

***Q: Am I entitled to appraisal rights in connection with the Transaction?***

A: No. There are no appraisal rights under Singapore law. Once the scheme of arrangement is adopted and approved by the requisite majority of the Scheme Shareholders, is sanctioned by the Singapore court and becomes effective, it will be binding on all shareholders. Dissenting shareholders may file an objection with the Singapore court against the granting of the Singapore court sanction, but no appraisal rights are available to dissenting shareholders in connection with a scheme effected under Singapore law.

***Q: Is the Scheme of Arrangement subject to The Singapore Take-over Code?***

A: No. On August 11, 2016, the Securities and Industry Council of Singapore (the SIC) granted a waiver of the application of The Singapore Code on Take-overs and Mergers (the Singapore Take-over Code) to the Company in its entirety in respect of the scheme of arrangement.

***Q: What happens if I sell my ordinary shares before the Court Meeting?***

A: The record date to determine the Scheme Shareholders entitled to vote at the Court Meeting is [ ], 2016. The date for determining which shareholders will be entitled to receive the scheme consideration for their ordinary shares is as of 5:00 p.m. Singapore time on the effective date of the scheme. If you are a Scheme Shareholder as of the record date, you will be entitled to vote at the Court Meeting, but if you transfer your ordinary shares before the effective date of the scheme, you will not be entitled to receive the scheme consideration. After the date of the Court Meeting, the Company will give notice to registered shareholders of the proposed effective date of the scheme for the purpose of determining shareholders who are entitled to the scheme consideration.

***Q: What happens if the scheme of arrangement is not approved by our shareholders or if the Transaction is not completed for any other reason?***

A: If the scheme of arrangement is not approved by our shareholders or if the Transaction is not completed for any other reason, our shareholders will not receive any payment for their shares in connection with the Transaction. Instead, we will remain a standalone public company, the Company's ordinary shares will continue to be listed and traded on the Nasdaq Global Select Market and registered under the Exchange Act, and we will continue to

file periodic reports with the SEC.

The Company will be required to pay GWC a termination fee of \$19.2 million upon the termination of the implementation agreement under specified circumstances, and GWC will be required to pay the Company a termination fee of \$40 million if the implementation agreement is terminated under different specified circumstances, in each case as described under the section entitled *The Implementation Agreement Termination Fees* beginning on page 82.

**Table of Contents**

**The Court Meeting**

***Q: What is the Court Meeting? Who will be entitled to vote?***

A: The Court Meeting is similar to an extraordinary general meeting of shareholders, except that it is convened by the Company by way of an order of the Singapore court rather than called by the Company pursuant to its Constitution. The Court Meeting was directed to be convened by the Singapore court for the purpose of approving the scheme.

Every Scheme Shareholder of the Company as of the record date is entitled to vote at the Court Meeting. Shareholders who hold their shares in street name through a broker, bank or nominee vote in accordance with the voting procedures received from their broker, bank or nominee. GWC, Acquiror and their subsidiaries will not be eligible to vote their ordinary shares (whether directly or indirectly held) at the Court Meeting. The record date for determining the Scheme Shareholders who are entitled to vote at the Court Meeting is [ ], 2016. See The Court Meeting beginning on page 20.

***Q: When and where is the Court Meeting?***

A: The Court Meeting will be held at [ ] a.m., Central Time, on [ ], 2016 at [ ].

***Q: What quorum and shareholder vote are required to approve the scheme of arrangement?***

A: A quorum is required for the transaction of business at the Court Meeting. The presence, in person or by proxy, at the Court Meeting of the Scheme Shareholders holding a majority of the outstanding ordinary shares of the Company held by all Scheme Shareholders as of record as of [ ], 2016 will constitute a quorum.

The affirmative vote of a majority in number (unless the Singapore court orders otherwise) of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, representing not less than 75% in value of the outstanding ordinary shares of the Company held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, is required for the adoption and approval of the scheme of arrangement. GWC, Acquiror and their subsidiaries will not be entitled to vote at the Court Meeting.

Pursuant to the directions of the Singapore court, for the purposes of determining the number of Company shareholders present and voting at the Court Meeting, Company shares that are deposited in book entry form with The Depository Trust Company, which we refer to as DTC, and registered in the name of CEDE & Co. as nominee of DTC, and holders of record in the Register of Members of the Company, will be treated as follows:

(i) CEDE & Co. shall be deemed not to be a shareholder of the Company; and

(ii)

## Edgar Filing: SunEdison Semiconductor Ltd - Form PREM14A

Each shareholder whose name appears on the register of DTC as a holder of the Company's ordinary shares, which we refer to as a sub-depositor, shall be deemed to be a shareholder of the Company in respect of such number of ordinary shares held in its account under CEDE & Co.

If your shares are held in street name, through a bank, broker or other nominee that is a DTC sub-depositor, then that organization will be the Scheme Shareholder for the purposes of the scheme. Each sub-depositor need not vote the shares registered in its name in the same way. Accordingly, a sub-depositor may:

- (a) vote all or part of its ordinary shares FOR the scheme of arrangement, which part shall be counted in value for adopting and approving the scheme;
- (b) vote all or part of its ordinary shares AGAINST the scheme of arrangement, which part shall be counted in value against adopting and approving the scheme; and/or



**Table of Contents**

- (c) abstain from voting in respect of all part of its ordinary shares, which part shall not be counted in determining the value of shares which are present and voting on the scheme of arrangement.

For purposes of determining the number of shareholders present and voting at the Court Meeting, a sub-depositor will be taken to have voted FOR the scheme of arrangement, if the number of ordinary shares voted FOR the scheme of arrangement by it exceeds the number of ordinary shares voted AGAINST the scheme of arrangement by it, or AGAINST the scheme of arrangement, if the number of ordinary shares voted AGAINST the scheme of arrangement by it exceeds or is equal to the number of ordinary shares voted FOR the scheme of arrangement by it.

A shareholder (including a sub-depositor) voting by proxy shall be included in the count of shareholders present and voting at the Court Meeting as if that shareholder was voting in person, such that the votes of a proxy who has been appointed to represent more than one shareholder at the Court Meeting shall be counted as the votes of such number of appointing shareholders.

***Q: How can I vote?***

A: Scheme Shareholders at the record date of [ ], 2016 may vote by personally attending the Court Meeting or attending by proxy, by completing and returning a proxy card. If you hold your shares in street name through a bank, broker or other nominee, you will be able to exercise your vote for the scheme of arrangement through such organization by completing a voting instruction form in accordance with the procedures issued by such organization. Most street name holders may also be able to submit their voting instructions to their bank, broker or other nominee by telephone or through the Internet.

The method by which Scheme Shareholders vote will in no way limit the right to vote at the Court Meeting if such Scheme Shareholders later decide to attend in person. If shares are held in street name, beneficial holders must vote in accordance with the instructions received from their bank, broker or other nominee.

***Q: If my ordinary shares are held in street name by my bank, broker or other nominee, will they vote my shares for me?***

A: The vote on the scheme of arrangement is considered a non-routine matter, and your bank, broker or other nominee is not permitted to exercise discretion to vote your ordinary shares. If you hold your ordinary shares in street name, you should follow the procedures provided by your bank, broker or other nominee regarding how to instruct them to vote your shares. Typically, you would submit your voting instructions by mail, by telephone or through the Internet in accordance with the procedures provided by your bank, broker or other nominee.

All shares entitled to vote and represented by properly completed proxies received prior to the Court Meeting and not revoked will be voted at the meeting in accordance with your instructions. If a signed proxy card is returned without indicating how shares should be voted on a matter and the proxy is not revoked, the shares represented by such proxy will be voted as the Company's board of directors recommends and, therefore, **FOR** the adoption and approval of the scheme of arrangement.

***Q: How are votes counted?***

A: You may vote FOR or AGAINST the adoption and approval of the scheme of arrangement, or you may abstain from voting on the scheme of arrangement. Abstentions will not be counted as votes cast or shares voting on the proposal, but will count for the purposes of determining whether a quorum is present. The Singapore court has directed that the votes of sub-depositors be counted in a specific manner, as described above.

***Q: Can I revoke or change my vote?***

A: Yes, Scheme Shareholders have the right to revoke a proxy at any time prior to voting at the Court Meeting by (i) submitting a subsequently dated proxy, which, if not delivered in person at the meeting, must be received by us no later than 48 hours before the appointed time of the meeting or (ii) by attending the

**Table of Contents**

meeting and voting in person, provided that you are a Scheme Shareholder. If you hold ordinary shares in street name through a broker, bank or other nominee, you should follow the procedures provided by such organization to revoke or change your vote.

***Q: What happens if I do not submit a proxy card or otherwise vote?***

A: Failure to submit a proxy card or otherwise vote could make it more difficult for us to achieve the requisite thresholds we need for approval of the scheme of arrangement. Therefore, we urge all Company shareholders to vote, and we request that you return the proxy card as soon as possible.

***Q: What do Company shareholders need to do now?***

A: Carefully read and consider the information contained in and incorporated by reference into this proxy statement, including its annexes. In order for Company ordinary shares to be represented at the Court Meeting, Scheme Shareholders can (i) indicate on the enclosed proxy card how they would like to vote and return the proxy card in the accompanying pre-addressed postage paid envelope or (ii) attend the Court Meeting in person. If your shares are held in street name through your broker, bank or other nominee, please follow the procedures provided by such organization regarding how to instruct them to vote your shares.

***Q: Who can answer questions?***

A: Company shareholders with questions about the Transaction or the Court Meeting, or who desire additional copies of this proxy statement or additional proxy cards should contact our proxy solicitor:

**D.F. King & Co., Inc.**

**48 Wall Street**

**New York, NY 10005**

**Attn: Richard Grubaugh**

**(888) 869-7406**

Registered holders of Company ordinary shares who have questions regarding their share ownership may write to the Company's transfer agent, Computershare Investor Services, L.L.C., by first class, registered or certified mail at P. O. Box 30170, College Station, Texas 77842-3170, or by overnight courier at 211 Quality Circle, Suite 210, College Station, Texas 77845. Registered holders may call Computershare Investor Services, L.L.C. toll-free at (877) 373 6374 or non toll-free at (781) 575-2879.

**Table of Contents**

**SUMMARY**

This summary highlights selected information from this proxy statement related to the Transaction, and may not contain all of the information that is important to you. To understand the Transaction more fully and for a more complete description of the legal terms of the Transaction, you should carefully read this entire proxy statement, including the annexes and other documents referred to herein. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions under the caption **Where You Can Find More Information**. The implementation agreement is attached as **Annex A** to this proxy statement and the scheme of arrangement is attached as **Annex B**. We encourage you to read these documents, which are the legal documents that govern the Transaction, carefully and in their entirety.

The Company, GWC and Acquiror have entered into an implementation agreement pursuant to which Acquiror proposes to acquire all of the Company's outstanding ordinary shares (other than those held by GWC, Acquiror and their subsidiaries) for \$12.00 per share in cash, without interest and less any applicable withholding taxes. The acquisition of all of the Company's ordinary shares will be implemented through a process called a **scheme of arrangement** or **scheme** that is supervised by the Singapore court. If GWC obtains the prior written consent of the Company, which consent may be granted or withheld by the Company in its sole discretion, and obtains all applicable SIC clearances, GWC may affect the Transaction by way of a Company-recommended takeover offer on the terms and conditions set forth in the implementation agreement in lieu of proceeding by way of the scheme.

**Parties to the Transaction**

***SunEdison Semiconductor Limited***

SunEdison Semiconductor is a global leader in the manufacture and sale of silicon wafers to the semiconductor industry. For over 55 years, SunEdison Semiconductor has been a pioneer in the design and development of silicon wafer technologies. The Company has developed a broad product portfolio, an extensive global manufacturing footprint, process technology expertise, and supply chain flexibility.

The Company's business was established in 1959 and was known during most of its history as MEMC Electronic Materials, Inc. In 2014, the Company was spun-off from SunEdison, Inc. and listed on the NASDAQ Global Select Market. The Company's principal executive offices are located at 11 Lorong 3 Toa Payoh, Singapore 319579. The offices of the Company's subsidiary in the U.S. are located at 501 Pearl Drive (City of O'Fallon), St. Peters, Missouri 63376. The Company's telephone number at its principal office in Singapore is +65 6681-9300, and at its U.S. subsidiary is (636) 474-5000. The Company's website address is [www.sunedisonsemi.com](http://www.sunedisonsemi.com).

***GlobalWafers Co., Ltd.***

GWC is a leading manufacturer of semiconductor silicon wafers. Founded in 1981, GWC was the semiconductor business unit of Sino-American Silicon Product Inc. ( SAS ) and spun off as GlobalWafers Co., Ltd. in 2011 and listed on the Taipei Exchange. GWC's principal executive offices are located at No. 8. Industrial East Road 2, Science-Based Industrial Park, Hsinchu, Taiwan, R.O.C. and its telephone number is 886-3-577-2255. GWC's website address is [www.sas-globalwafers.com](http://www.sas-globalwafers.com).

***GWafers Singapore Pte. Ltd.***

Acquiror is a wholly owned subsidiary of GWC that was incorporated as a private limited Singapore company on February 2, 2016, solely for the purpose of engaging in the Transaction. Acquiror has not engaged in any business

other than in connection with the Transaction and arranging debt financing in connection with the Transaction.

## **Table of Contents**

### ***The Scheme Shareholders***

The Scheme Shareholders are: (a) persons who are registered as holders of Company ordinary shares in the Register of Members of the Company, other than CEDE & Co.; and (b) persons who are holders of Company ordinary shares in book entry form on the register of The Depository Trust Company ( DTC ), which shares are held through DTC 's nominee CEDE & Co., as the registered holder of such ordinary shares on the Register of Members of the Company. Scheme Shareholders shall in no event include GWC, Acquiror or their subsidiaries.

### **The Court Meeting**

#### ***Date, Time and Place***

The Court Meeting will be held at [ ] a.m., Central Time, on [ ], 2016 at [ ].

#### ***Purpose***

This Court Meeting was directed to be convened by the Singapore court for the purpose of adopting and approving the scheme.

#### ***Record Date and Quorum***

The record date for determining the Scheme Shareholders who are entitled to vote at the Court Meeting is [ ], 2016.

A quorum is required for the transaction of business at the Court Meeting. The presence, in person or by proxy, at the Court Meeting of the Scheme Shareholders holding at least a majority of the outstanding ordinary shares of the Company held by all Scheme Shareholders as of record as of [ ], 2016 will constitute a quorum. GWC, Acquiror and their subsidiaries will not be entitled to vote the Court Meeting.

#### ***Vote Required***

The affirmative vote of a majority in number (unless the Singapore court orders otherwise) of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, representing not less than 75% in value of the Company 's outstanding ordinary shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, is required for the approval of the scheme of arrangement. CEDE & Co. will not be deemed to be a Scheme Shareholder for the purposes of determining the number of Company shareholders present and voting at the Court Meeting. Instead, each sub-depositor will be considered a Scheme Shareholder for the purpose of determining the required vote to approve the scheme of arrangement. GWC, Acquiror and their subsidiaries will not be entitled to vote at the Court Meeting.

### **Recommendation of the Company 's Board of Directors**

After careful consideration, the Company 's board of directors unanimously determined that it is in the interest of the Company that the Company enter into the implementation agreement and consummate the Transaction, and unanimously recommends that you vote **FOR** the adoption and approval of the scheme of arrangement.



## **Table of Contents**

### **The Scheme**

#### ***The Scheme of Arrangement***

The purpose of the scheme is to implement the acquisition of the Company's ordinary shares by Acquiror. The scheme involves the transfer of all of the Company's ordinary shares held by Scheme Shareholders to Acquiror, in exchange for the scheme price of \$12.00 per share in cash without interest and net of any applicable withholding taxes. Upon completion of the scheme, Acquiror will hold all of the Company's ordinary shares, and the Company will be a direct wholly owned subsidiary of Acquiror, and an indirect wholly owned subsidiary of GWC.

#### ***Appraisal Rights***

Once the scheme of arrangement is adopted and approved by the requisite majority of Scheme Shareholders, is sanctioned by the Singapore court and becomes effective, it will be binding on all shareholders of the Company. Dissenting shareholders may file an objection with the Singapore court against the granting of the Singapore court sanction, but no appraisal rights are available to dissenting shareholders in connection with a scheme effected under Singapore law.

#### ***Court Sanction***

Pursuant to the Companies Act, Chapter 50 of Singapore, the Singapore court has directed that the Court Meeting be convened for the purpose of adopting and approving the scheme of arrangement. If the requisite majority of the Scheme Shareholders vote to adopt and approve the scheme of arrangement at the Court Meeting and certain other closing conditions have been satisfied, an application will be made to the Singapore court by the Company to sanction the scheme.

### **Opinion of the Company's Financial Advisors**

#### ***Opinion of Barclays Capital Inc.***

The Company has engaged Barclays Capital Inc., which we refer to as Barclays, to act as its financial advisor with respect to a possible sale of the Company. In connection with the proposed transaction, on August 17, 2016, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the Company's board of directors that as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the consideration to be offered to the Company's shareholders in the proposed transaction is fair, from a financial point of view, to such shareholders. As compensation for its services in connection with the proposed transaction, the Company has agreed to pay Barclays certain transaction related fees, which are currently estimated to be approximately \$10.9 million, of which \$1.0 million became payable upon the delivery of Barclays' opinion, and the remainder of which will become payable solely upon the consummation of the proposed transaction.

**The full text of Barclays' written opinion, dated August 17, 2016, is attached to this Proxy Statement as Annex C. The Company's shareholders are encouraged to read Barclays' written opinion carefully in its entirety for a description of, among other things, the assumptions made, procedures followed, and factors and limitations considered upon the review undertaken by Barclays in rendering its opinion.**

Barclays' opinion is addressed to and was provided for the benefit of the Company's board of directors and addresses only the fairness, from a financial point of view, of the scheme consideration to be offered to the Company's shareholders and does not address any other aspect of the proposed transaction. The opinion did not address the



relative merits of the proposed transaction as compared to other business strategies or transactions

## **Table of Contents**

that might be available with respect to the Company or the Company's underlying business decision to effect the proposed transaction. The opinion does not constitute a recommendation to any shareholder as to how to vote or act with respect to the proposed transaction. Please see *The Transaction—Opinion of the Company's Financial Advisors—Opinion of Barclays* beginning at page 38.

### ***Opinion of Australia and New Zealand Banking Group Limited, Singapore Branch***

Consistent with Singapore practice, the Company's board of directors has also retained an independent financial advisor, sometime referred to as an IFA. The IFA is Australia and New Zealand Banking Group Limited, Singapore branch, referred to in this proxy statement as ANZ. ANZ was engaged on July 19, 2016. Pursuant to the terms of the engagement letter with ANZ, the Company agreed to pay to ANZ a fee of \$300,000 for its services as the Company's IFA for this Transaction.

On August 16, 2016, ANZ rendered its written opinion to the Company's board of directors that, based upon and having considered the information that has been made available to it and the factors set out in its opinion, as of the date of its opinion, the scheme price of \$12.00 per share is fair and reasonable and not prejudicial, from a financial point of view, to the interests of the Company's shareholders (other than GlobalWafers, Acquiror and their subsidiaries). The full text of ANZ's opinion is attached to this proxy statement as **Annex D**. We encourage you to read this opinion carefully in its entirety for a description of the assumptions made, matters considered and limitations on the review undertaken by ANZ in forming its opinion.

As part of the procedure of implementing the scheme, the board of directors are required to make a recommendation to the Company's shareholders (other than GlobalWafers and its subsidiaries) in relation to the scheme after having considered the advice of the independent financial advisor. ANZ's opinion is not intended to be and does not constitute a recommendation to any Company shareholder as to how such shareholder should vote in connection with the scheme. The recommendations made by the Company's board of directors to the Company's shareholders with regard to the scheme shall remain the responsibility of the board of directors.

For a more complete description of the opinion and the review undertaken in connection with such opinion, together with the fees payable to ANZ by the Company, see *The Transaction—Opinion of the Company's Financial Advisors—Opinion of ANZ* beginning on page 46.

### **Treatment of Company Stock Options and Restricted Share Units in the Transaction**

#### ***Stock Options***

Each Company stock option, whether or not vested or exercisable, that is unexpired, unexercised and outstanding immediately prior to the effective time of the scheme, and has a per share exercise price that is less than the scheme price of \$12.00, will vest and terminate in its entirety at the effective time, and the holder of each such stock option will be entitled to receive an amount in cash funded by GWC or Acquiror equal to the product of: (i) the excess of (x) \$12.00 over (y) the per share exercise price of such option, and (ii) the number of ordinary shares underlying each such option, which amount will be paid less any applicable withholding taxes. To the extent any unexpired and outstanding company stock option has an exercise price that is equal to or greater than the scheme price of \$12.00, such options will be terminated immediately prior to the effective time of the Transaction, and the holder thereof shall be entitled to no consideration in connection with such cancellation.

#### ***Restricted Share Units***

Company RSUs issued and outstanding immediately prior to the effective time of the scheme shall vest in their entirety and each such Company RSU so vested will thereupon be converted into the right to receive a cash

## **Table of Contents**

payment with respect thereto equal to the scheme price of \$12.00 per share, less any applicable withholding taxes. With respect to any award of Company RSUs that vests in whole or in part upon the achievement of one or more performance goals, the number of Company RSUs to be accelerated pursuant to such award shall be determined by assuming achievement of the applicable performance goal(s) at 100% of the target level.

## **Interests of Directors and Executive Officers in the Transaction**

You should be aware that some of our directors and executive officers of the Company may have interests in the Transaction that are different from, or are in addition to, the interests of shareholders generally. The Company's board of directors was aware of and considered these interests, among other matters, in reaching its decision to approve entry into the implementation agreement and consummation of the Transaction. See "The Transaction Interests of the Company's Directors and Executive Officers in the Transaction" beginning on page 52 for a description of these interests.

## **Conditions to Completion of the Transaction**

We expect to complete the Transaction after all the conditions to the Transaction in the implementation agreement are satisfied or waived, including after we receive shareholder approval at the Court Meeting, sanction of the Singapore court, and all other regulatory approvals. We hope to complete the transaction prior to the end of 2016.

Pursuant to the scheme of arrangement, the obligation of each party to complete the Transaction is subject to the satisfaction or waiver of several conditions set forth in the implementation agreement, which are summarized below:

the adoption and approval of the scheme of arrangement by the Company's shareholders;

the approval and confirmation of the scheme by the Singapore court;

the lodgement of the Singapore court order approving the scheme with the Accounting and Corporate Regulatory Authority of Singapore, which we refer to as "ACRA";

the absence of any governmental orders or proceedings that make the Transaction illegal or otherwise prohibit the consummation of the Transaction;

the receipt by GWC of the approval of each of the Investment Committee of the Ministry of the Economic Affairs of the Republic of China and the Central Bank of the Republic of China, (which we refer to, collectively, as the "ROC Approvals");

the expiration or termination of the applicable waiting period (and any extension thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the "HSR Act," and the receipt of clearance under specified foreign antitrust requirements; and

the receipt by the Company of clearance or approval of the Committee on Foreign Investment in the U.S., known as CFIUS, with respect to the transactions contemplated by the implementation agreement, as more particularly provided for in the implementation agreement.

The obligation of the Company to consummate the Transaction is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of GWC and Acquiror contained in the implementation agreement shall be true and correct on and as of the date of the implementation agreement and as of the closing date, except for:

other than with respect to specified fundamental representations, which must be true and correct in all material respects, failures that have not had a material adverse effect on the ability of GWC or Acquiror to fulfill their obligations under the implementation agreement; and

**Table of Contents**

representations and warranties which address matters only as of a particular date, which need only be true and correct as of such date, subject to the qualifications described above in the first sub-bullet point; and

GWC and Acquiror shall have performed or complied in all material respects with all agreements and covenants required by the implementation agreement to be performed or complied with by it on or prior to the effective date of the scheme.

The obligation of GWC and Acquiror to consummate the Transaction is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of the Company contained in the implementation agreement shall be true and correct on and as of the date of the implementation agreement and as of the closing date, except for:

other than with respect to specified fundamental representations, which must be true and correct in all respects, failures that, in the aggregate for all such failures, have not had a material adverse effect on the Company and its subsidiaries, taken as a whole, or on the Company's ability to consummate the transactions contemplated by the implementation agreement;

representations and warranties which address matters only as of a particular date, which need only be true and correct as of such date, subject to the qualifications described above in the first sub-bullet point;

the Company shall have performed or complied in all material respects with all agreements and covenants required by the implementation agreement to be performed or complied with by it at or prior to the effective date of the scheme;

no material adverse effect on the Company shall have occurred since the date of the implementation agreement, subject to certain exceptions which are largely events beyond the Company's control; and

no suit, action or proceeding shall be pending that (i) challenges or seeks to restrain or prohibit the consummation of the scheme or any other transaction contemplated by the implementation agreement; or (ii) seeks to require GWC, Acquiror or the Company or any of their subsidiaries or affiliates to effect any remedial measures that Acquiror is not required to accept pursuant to the terms of implementation agreement (see The Implementation Agreement Other Agreements Regulatory Filings; Reasonable Best Efforts beginning on page 69).

The implementation agreement provides that any or all of the conditions described above may be waived, in whole or in part, by the Company or GWC, as applicable, to the extent legally allowed. See The Implementation Agreement Conditions to Completion of the Transaction beginning on page 72 and see also The Implementation Agreement Conditions to Completion of the Transaction Conditions to the Offer for the conditions that apply if the Transaction proceeds by way of the offer beginning on page 75.

**No Solicitation**

The implementation agreement contains customary no solicitation provisions, subject to a fiduciary exception, requiring the Company and its subsidiaries and their respective directors and officers not to, and not to authorize or permit their employees, agents or representatives (including investment bankers, financial advisors, attorneys and accountants) to, directly or indirectly:

solicit, initiate, knowingly encourage or knowingly facilitate the making, submission or announcement of, any acquisition proposal;

participate or engage in any discussions or negotiations regarding, or furnish to any person any information with respect to or for the purpose of facilitating, or take any other action to facilitate any inquiries or the making of any proposal that constitutes or could reasonably be expected to lead to, any acquisition proposal;

## **Table of Contents**

terminate, amend, release or authorize the release of any person from, or expressly waive any provision of any confidentiality, standstill or similar agreement under which it has any rights, or fail to enforce in all material respects each such agreement with respect to an acquisition proposal;

take any action to render inapplicable, or to exempt any third person from, any legal requirement or charter provision that purports to limit or restrict business combinations or the ability to acquire or vote shares of capital stock;

approve, endorse or recommend any acquisition proposal;

enter into any agreement (including any letter of intent, acquisition agreement or similar agreement) relating to any acquisition proposal, other than a confidentiality agreement in connection with an acquisition proposal that is, or would reasonably be likely to lead to, a superior offer (see *The Implementation Agreement—No Solicitation* beginning on page 76 for the definition of superior offer );

seek confirmation from the SIC that the Singapore Take-over Code and its requirements would not apply to any acquisition proposal; or

propose publicly or agree to any of the foregoing with respect to an acquisition proposal.

The implementation agreement does not, however, prohibit the Company from considering an unsolicited, bona fide acquisition proposal from a third party if certain specified conditions are met. For a discussion of the prohibition on solicitation of acquisition proposals from third parties, and the exceptions to such prohibition, see *The Implementation Agreement No Solicitation* beginning on page 76.

### **Termination of the Implementation Agreement**

Either the Company or GWC may terminate the implementation agreement, and the Transaction may be abandoned, at any time prior to the effective time of the scheme if:

the parties mutually agree in writing;

the closing of the Transaction does not occur on or before May 17, 2017 (the *Drop Dead Date* ), except that (i) under certain circumstances, the Company or GWC may unilaterally extend the date for the Transaction to close to August 15, 2017; and (ii) a party may not terminate under this provision if the party's action or failure to fulfill any covenant or obligation under the implementation agreement was the primary cause of the failure of the Transaction to be completed on or before such date and such action or failure to fulfill any covenant or obligation constitutes a material breach of the implementation agreement;



a governmental entity of competent jurisdiction shall have enacted or issued any applicable law, decree, injunction or other order (whether temporary, preliminary or permanent) that is in effect, makes the Transaction illegal or prohibits or restrains the consummation of the Transaction, and is final and nonappealable; provided that the party seeking to terminate the implementation agreement complied with its applicable obligations under the implementation agreement to have any such government action vacated, lifted or removed, and the primary cause of, or primary factor resulting in, such government action was not such party's breach or failure to comply with its obligations under the implementation agreement; or

the offer has not been commenced and either (i) the Company's shareholders do not approve the scheme of arrangement at a duly convened meeting of the Company's shareholders or (ii) the Singapore court does not approve the scheme, in each case provided that the terminating party has complied in all material respects with its obligations to try to obtain such approvals.

**Table of Contents**

The Company may terminate the implementation agreement if:

GWC or Acquiror breaches any of its representations, warranties, covenants or agreements in a manner that causes the closing conditions regarding its representations, warranties and covenants not to be satisfied after a 60-day cure period (if such breach is curable, and GWC or Acquiror uses commercially reasonable efforts to cure such breach during such 60-day cure period), provided that the Company has not materially breached the implementation agreement;

GWC does not have sufficient funds to consummate the transactions, but all other conditions to closing have been met (or are capable of being satisfied at the closing or are within the control of GWC) and the Company has irrevocably delivered written notice to GWC that the Company is ready, willing and able to consummate the Transaction; or

prior to approval of the scheme of arrangement by the Company's shareholders, the Company concurrently enters into a definitive acquisition agreement providing for a superior offer, provided that the Company has otherwise complied with its obligation to call the shareholder meeting and its non-solicitation obligations and if prior to or concurrently with such termination, the Company pays the termination fee described in more detail below.

GWC may terminate the implementation agreement if:

the Company breaches any of its representations, warranties, covenants or agreements in a manner that causes the closing conditions regarding its representations, warranties and covenants not to be satisfied after a 60-day cure period (if such breach is curable, and the Company uses commercially reasonable efforts to cure such breach during such 60-day cure period), provided that GWC has not materially breached the implementation agreement; or

a triggering event with respect to the Company shall have occurred.

Under the implementation agreement, a triggering event will occur if, among other things:

the board of directors of the Company for any reason changes its recommendation that its shareholders (i) approve the scheme of arrangement; or (ii) tender their shares in the offer, if GWC commences the offer with the consent of the Company and all applicable SIC clearances;

GWC commences the offer with the consent of the Company, and the Company fails to file the Schedule 14D-9 as required by the implementation agreement;

the Company fails to include in the scheme documents the recommendation of the board of directors that the Company's shareholders approve the scheme of arrangement and/or if Globe has commenced the offer with the consent of the Company, the Company fails to include in its Schedule 14D-9 the recommendation that shareholders tender their shares in the offer;

the Company enters into any letter of intent or similar document or any agreement with respect to an acquisition proposal, other than a confidentiality agreement permitted pursuant to the exceptions to the Company's non-solicitation obligations;

the Company publicly announces its intention to do any of the foregoing; or

the Company commits a material breach of its obligations under the non-solicitation provision of the implementation agreement.

For a discussion of the termination of the implementation agreement, see [The Implementation Agreement Termination of the Implementation Agreement](#) beginning on page 80.

## Table of Contents

### **Termination Fees**

The Company will be required to pay GWC a termination fee of \$19.2 million if the implementation agreement is terminated:

by GWC as a result of a triggering event (see The Implementation Agreement Termination of the Implementation Agreement beginning on page 80 for the definition of triggering event);

subject to compliance with certain covenants by the Company, by the Company in order to concurrently enter into a definitive acquisition agreement providing for a superior offer; or

by (i) GWC or the Company, as applicable, as a result of the failure to close the Transaction on or before the Drop Dead Date (or any extension thereof) or the failure to obtain the approval of the Company's shareholders or the Singapore court, or (ii) GWC upon a material breach of the Company's representations, warranties, covenants or agreements after a 60-day cure period; and (i) prior to the termination of the implementation agreement (or, in the case of termination as a result of failure to obtain shareholder or court approval, prior to the shareholder meeting), any acquisition proposal has been made known to the Company or publicly disclosed and not withdrawn, or any person shall have publicly announced an intention, whether or not conditional, to make an acquisition proposal which is not withdrawn and (ii) within 12 months following the termination of the implementation agreement, an alternative transaction is consummated or the Company enters into an agreement providing for an alternative transaction that is subsequently consummated.

GWC will be required to pay the Company a termination fee equal to \$40 million under the following circumstances:

if the Company terminates the implementation agreement as a result of all conditions to the obligations of GWC and Acquiror to complete the Transaction having been satisfied or waived (or are capable of being satisfied at the closing or are within the control of GWC), the Company having confirmed in writing it is ready, able and willing to consummate the Transaction, and GWC not having the required funds, or otherwise failing, to complete the transaction;

if the Company terminates the implementation agreement as a result of GWC or Acquiror's breach of certain representations and covenants in the implementation agreement relating to the requirements of GWC's bylaws with respect to investment in subsidiaries and the need for GWC to obtain shareholder approval for the Transaction;

if the implementation agreement is terminated by the Company or GWC if the transactions contemplated by the implementation agreement become illegal, provided the relevant governmental entity has acted with respect to CFIUS, antitrust law or the ROC Approvals; or

if the implementation agreement is terminated by the Company or GWC as a result of the Drop Dead Date (or any extension thereof) being reached and at the time of such termination, all conditions to the obligations of the parties to complete the Transaction have been satisfied or waived (or are capable of being satisfied at the closing or are within the control of GWC), other than the conditions relating to CFIUS, antitrust law or the ROC Approvals.

On the date that the implementation agreement was signed, GWC deposited \$40 million in an escrow account at Mega International Commercial Bank Co., Ltd. as collateral and security for the payment of the termination fee by it under the terms of the agreement.

For a discussion of the termination fees see [The Implementation Agreement Termination Fees](#) beginning on page 82.

## **Table of Contents**

### **Financing of the Transaction**

Prior to the execution of the implementation agreement, the parties obtained a financing commitment letter, guaranteed by GWC, to obtain a \$200 million senior secured term loan of the Company, the proceeds of which will be used to refinance the Company's existing \$210 million credit agreement and to repay facilities extended to MEMC Korea, a subsidiary of the Company, contemporaneously with the closing of the Transaction. In addition, GWC obtained a commitment letter providing for senior secured loans in the aggregate amount of \$350 million, the proceeds of which will be used to fund payment by GWC and Acquiror of the aggregate scheme consideration to the Company's shareholders and of related expenses of the Transaction.

GWC has agreed to use its reasonable best efforts to arrange the debt financing on the terms and conditions set forth in the commitment letters, including entering into definitive agreements as promptly as practicable and to consummate the financing no later than the effective time of the Transaction. The Company has agreed to cooperate as reasonably requested by GWC in connection with these debt financing arrangements. The obligation of GWC and Acquiror to consummate the Transaction is not subject to any financing condition.

For a discussion regarding the financing of the transaction see *The Transaction Financing of the Transaction; Treatment of Existing Indebtedness* beginning on page 51, and *The Implementation Agreement Other Agreements Financing Cooperation* beginning on page 68.

### **Expenses**

All fees and expenses incurred in connection with the implementation agreement and the Transaction will be paid by the party incurring such fees and expenses whether or not the Transaction is completed.

### **Material U.S. Federal Income Tax Consequences of the Transaction**

The receipt of cash for Company ordinary shares by U.S. holders pursuant to the Transaction will be a taxable transaction for U.S. federal income tax purposes. In general, for U.S. federal income tax purposes, a U.S. holder of Company ordinary shares will recognize gain or loss in an amount equal to the difference, if any, between (1) the amount of cash received in the Transaction and (2) the U.S. holder's adjusted tax basis in the shares. Non-U.S. holders of Company ordinary shares generally will not be required to pay U.S. federal income tax on the receipt of cash in exchange for Company ordinary shares in the Transaction unless such holder has certain connections to the United States. Holders, including non-U.S. holders, should consult their tax advisors to determine the particular tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the Transaction. See *The Transaction Material U.S. Federal Income Tax Consequences of the Transaction* beginning on page 59.

### **Regulatory Matters**

#### ***Antitrust Approvals***

The Transaction is subject to certain antitrust laws. The Company and SAS, GWC's ultimate parent, have each made filings pursuant to the HSR Act, with the United States Department of Justice Antitrust Division, which we refer to as the DOJ, and the United States Federal Trade Commission, which we refer to as the FTC. Under the HSR Act, the Transaction cannot be completed until the expiration or termination of the initial waiting period (typically a thirty (30) day period) or any extension thereof following the submission of complete filings with the DOJ and FTC. In addition, GWC and Acquiror are preparing pre-transaction notification filings in Germany and Austria, respectively.



**Table of Contents**

***CFIUS Clearance***

The implementation agreement provides for the parties to file a joint voluntary notice under Section 721 of the Defense Production Act of 1950, as amended by The Foreign Investment and National Security Act of 2007, which we refer to as FINSA. FINSA empowers the President of the United States of America to review and, if determined necessary, prohibit or suspend an acquisition of, or investment in, a U.S. company by a foreign person if the President, after investigation, determines that the foreign person's control of the U.S. business threatens to impair the national security of the United States. Pursuant to FINSA, the Committee on Foreign Investment in the U.S., which we refer to as CFIUS, has been statutorily delegated the authority to receive notices of proposed transactions, conduct reviews, determine when an investigation is warranted, conduct investigations, require mitigation measures and submit recommendations to the President to suspend or prohibit the completion of transactions or to require divestitures following completed transactions. A party or parties to a transaction may, but are not required to, submit to CFIUS a joint voluntary notice of the transaction. CFIUS also has the power to initiate reviews on its own in the absence of a voluntary notification.

CFIUS review of a covered transaction is subject to an initial 30-calendar-day review period that may be extended by CFIUS for an additional 45-calendar-day investigation period. CFIUS may reject a filing, thereby requiring a new submission and restarting of the review period, if the parties to the transaction fail to respond promptly to additional questions or requests from CFIUS. At the close of its review, CFIUS may issue a letter to the parties stating that it has completed its review and determined that there are no unresolved national security concerns, thereby clearing the transaction, or move into a 45-calendar-day investigation period. At the end of an investigation, CFIUS may issue a letter to the parties stating that it has completed its review and determined that there are no unresolved national security concerns regarding the transaction, thereby approving it; may impose mitigation terms to resolve any national security concerns with the covered transaction; or may send a report to the President of the United States recommending that the transaction be suspended or prohibited or notifying the President of the United States that CFIUS cannot agree on a recommendation relative to the covered transaction. The President of the United States then has 15 days to decide whether to block the transaction or to take other action. The Company and GWC will be filing a joint voluntary notice of the transaction with CFIUS.

***Waiver of Singapore Take-over Code***

Pursuant to an application made by the Company on July 11, 2016, the SIC confirmed on August 11, 2016 the waiver of the application of the provisions of the Singapore Take-over Code to the Company in its entirety in respect of the scheme.



**Table of Contents**

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement, and the documents incorporated by reference in this proxy statement, include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are identified by the use of the words believe, expect, may, could, should, plan, project, anticipate, intend, estimate, and similar expressions that contemplate future events. Such forward-looking statements are based on management's reasonable current assumptions and expectations, including the expected completion and timing of the Transaction and other information relating to the Transaction. These statements are subject to risks, uncertainties and other factors, including, among others:

the risk that the Transaction may not be completed in a timely manner or at all, which may adversely affect the Company's business and the price of its ordinary shares;

the failure to obtain the Company shareholder approval of the scheme of arrangement;

the possibility that the closing conditions to the transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval;

delay in closing the transaction or the possibility of non-consummation of the transaction;

the potential for regulatory authorities to require divestitures in connection with the proposed transaction;

the occurrence of any event that could give rise to termination of the implementation agreement;

the risk of shareholder litigation that may be instituted in connection with the contemplated transactions;

risks related to the diversion of management's attention from the Company's ongoing business operations;

the failure of GWC to obtain the necessary financing to complete the transaction;

the effect of the announcement of the transaction on the Company's ability to retain and hire key personnel and maintain relationships with customers, suppliers and other third parties; and

difficult global economic and capital markets conditions.

In addition, we are subject to risks and uncertainties and other factors detailed in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 and our Quarterly Reports on Form 10-Q for the quarters ended

March 31, 2016 and June 30, 2016, which should be read in conjunction with this proxy statement. See [Where You Can Find More Information](#). Many of the factors that will determine the Company's future results are beyond its ability to control or predict. In light of the significant uncertainties inherent in the forward-looking statements contained herein, readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. We cannot guarantee any future results, levels of activity, performance or achievements. The statements made in this proxy statement represent the Company's views as of the date of this proxy statement, and you should not assume that the statements made herein remain accurate as of any future date. Moreover, we assume no obligation to update forward-looking statements or update the reasons that actual results could differ materially from those anticipated in forward-looking statements, except as required by law.

**Table of Contents**

**THE COURT MEETING**

By an order of the Singapore court dated [ ], 2016, the Court Meeting was directed to be convened for the purpose of adopting and approving the scheme as follows:

**Date, Time and Place of the Court Meeting**

The Court Meeting is scheduled to be held at [ ] on [ ], 2016 at [ ] a.m. Central Time.

**Purpose of the Court Meeting**

The purpose of the Court Meeting is to consider and vote upon the proposal to adopt and approve the scheme of arrangement in connection with the Transaction. The Company's board of directors recommends that its shareholders vote **FOR** the adoption and approval of the scheme of arrangement. At the Court Meeting, the Scheme Shareholders will be provided with the opportunity to decide whether they consider the Transaction to be in their interests.

Once the scheme of arrangement is adopted and approved by the requisite majority of the Scheme Shareholders, is sanctioned by the Singapore court and becomes effective, the scheme will be binding on all shareholders, and all shareholders will participate in the Transaction, whether or not they were present in person or by proxy, or voted or abstained from voting, at the Court Meeting.

**Persons Entitled to Vote; Quorum; Vote Required**

The record date for determining the Scheme Shareholders who are entitled to vote at the Court Meeting is [ ], 2016.

The presence, in person or by proxy, at the Court Meeting of the Scheme Shareholders holding at least a majority of the outstanding Company ordinary shares held by all Scheme Shareholders as of the record date of [ ], 2016 will constitute a quorum, which is necessary to hold the Court Meeting. Abstentions are counted in determining whether a quorum is present, but will have no effect on the vote for the proposal to adopt and approve the scheme of arrangement.

The affirmative vote of a majority in number (unless the Singapore court orders otherwise) of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, representing not less than 75% in value of the outstanding ordinary shares of the Company held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, is required for the approval of the scheme of arrangement.

Pursuant to the directions of the Singapore court, for the purposes of determining the number of Company shareholders present and voting at the Court Meeting, Company ordinary shares that are deposited in book entry form with DTC, and registered in the name of CEDE & Co. as nominee of DTC and holders of record in the Register of Members of the Company, will be treated as follows:

- (i) CEDE & Co. shall be deemed not to be a Company shareholder; and
- (ii) each sub-depositor shall be deemed to be a Company shareholder in respect of such number of Company ordinary shares held in its account under CEDE & Co.

Each sub-depositor need not vote the shares registered in its name in the same way. Accordingly, a sub-depositor may:

- (a) vote all or part of its Company ordinary shares FOR the scheme of arrangement, which part shall be counted in value for approving the scheme;
- (b) vote all or part of its Company ordinary shares AGAINST the scheme of arrangement, which part shall be counted in value against approving the scheme; and/or

## Table of Contents

(c) abstain from voting in respect of all part of its Company ordinary shares, which part shall not be counted in determining the value of shares which are present and voting on the scheme of arrangement.

For purposes of determining the number of Company shareholders present and voting at the Court Meeting, a sub-depositor will be taken to have voted FOR the scheme of arrangement, if the number of Company ordinary shares voted FOR the scheme of arrangement by it exceeds the number of Company ordinary shares voted AGAINST the scheme of arrangement by it, or AGAINST the scheme of arrangement, if the number of Company ordinary shares voted AGAINST the scheme of arrangement by it equals or exceeds the number of Company ordinary shares voted FOR the scheme of arrangement by it.

A Company shareholder (including a sub-depositor) voting by proxy shall be included in the count of Company shareholders present and voting at the Court Meeting as if that Company shareholder was voting in person, such that the votes of a proxy who has been appointed to represent more than one Company shareholder at the Court Meeting shall be counted as the votes of such number of appointing Company shareholders.

As of September 12, 2016, there were 42,384,630 outstanding Company ordinary shares.

## **Proxies and Voting Procedures**

If you are a Scheme Shareholder, you can vote your ordinary shares by completing and returning a proxy card, which when properly executed and received by us, will be voted at the Court Meeting in accordance with the shareholders instructions set forth in the proxy. If you hold your ordinary shares in street name, please vote in accordance with the instructions provided by your broker, bank or other nominee. Most street name holders, or beneficial owners holding through a broker, bank or other nominee, may also vote by telephone or by Internet, in accordance with instructions provided by their broker, bank or other nominee. In accordance with Singapore law, the Scheme Shareholders may not vote their shares through the Internet and so must return a proxy card by mail or in person at the Court Meeting to vote their shares. All shares entitled to vote and represented by properly completed proxies received prior to the Court Meeting and not revoked will be voted at the Court Meeting in accordance with your instructions. **If you are a Scheme Shareholder and you return a signed proxy card without indicating how your shares should be voted on a matter and do not revoke your proxy, the shares represented by your proxy will be voted as the Company board of directors recommends, and therefore, FOR the adoption and approval of the scheme of arrangement.**

Any Scheme Shareholder entitled to vote at the Court Meeting has the right to revoke his or her proxy at any time prior to voting at the Court Meeting by (i) submitting a subsequently dated proxy, which, if not delivered in person at the meeting, must be received by us no later than 48 hours before the appointed time of the meeting or (ii) by attending the meeting and voting in person. You can submit your subsequently dated proxy to us care of Broadridge, 51 Mercedes Way, Edgewood, New York 11717. Attendance at the Court Meeting will not, by itself, revoke your proxy; you must vote in person at the Court Meeting in order to revoke or change your vote. If you hold shares in street name through a broker, bank or other nominee and would like to change your vote instruction, you should follow the directions provided by your broker, bank or other nominee. Most organizations provide means by which street name holders may vote by telephone or by Internet, as well as by signing and returning voting instructions.

If the Court Meeting is postponed or adjourned, as a Scheme Shareholder your proxy will remain valid and may be voted at the postponed or adjourned meeting. You still will be able to revoke your proxy until it is voted.

Proxies received at any time before the Court Meeting, and not revoked or superseded before being voted, will be voted at the Court Meeting. A validly signed proxy will be voted in accordance with the specification.

**If you hold certificated shares, please do not send in your share certificates with your proxy card.** The registered shareholders will be notified of the procedures to submit share certificates to the address of the Company's share registrar (transfer agent). See also ~~The Transaction~~The Scheme of Arrangement; Special Factors Regarding the Scheme—Settlement Procedures beginning on page 35.

## **Table of Contents**

### **Mailing of Proxy Statement**

This proxy statement, including the Notice, was first made available on or about [ ], 2016 to the Scheme Shareholders. After we first make this proxy statement, including the Notice, and other soliciting materials available to the Scheme Shareholders, copies are supplied to brokers, banks and other nominees to be provided to street name holders for the purpose of soliciting proxies from those holders.

### **Registered Office**

The mailing address of our registered office is 9 Battery Road, #15-01, Straits Trading Building, Singapore 049910. Please note, however, that any shareholder communications should be directed to the attention of our General Counsel at the offices of the Company's U.S. subsidiary, SunEdison Semiconductor LLC, 501 Pearl Drive, St. Peters, MO 63376, U.S.A.

### **Abstentions and Broker Non-Votes**

If a Scheme Shareholder abstains from voting, or if brokers holding their customers' shares of record cause abstentions to be recorded, those shares are considered present and entitled to be voted at the Court Meeting, and, therefore, are considered for purposes of determining whether a quorum is present. Under the laws of Singapore, however, abstentions will not be counted in the tabulation of votes cast on a proposal, and thus, have no effect on whether a proposal has been approved. A broker non-vote is treated as neither being present nor entitled to vote on the relevant proposal and, therefore, is not counted for purposes of determining whether a quorum is present or a proposal has been approved. The proposal to adopt and approve the scheme of arrangement is considered a non-routine matter, and if you are a street name holder, your broker will not have the authority to vote your shares for or against this proposal without your instruction.

### **Adjournments**

The Court Meeting may be adjourned from time to time, without regard to whether a quorum is present, if the resolution for adjournment is approved by the affirmative vote of a majority in number (unless the Singapore court orders otherwise) of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, representing not less than 75% in value of the outstanding Company ordinary shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting.

### **Cost of Proxy Distribution and Solicitation**

We will pay the expenses of the solicitation of proxies from our shareholders. Proxies may be solicited on our behalf in person or by mail, telephone, e-mail, facsimile or other electronic means by our directors, officers or employees, who will receive no additional compensation for soliciting. We have engaged D.F. King & Co., Inc. to assist in the solicitation of proxies and to provide related informational support, for a fee of \$20,000 plus reimbursement of reasonable expenses. In accordance with the regulations of the SEC and NASDAQ rules, we will reimburse brokerage firms and other custodians, nominees and fiduciaries for their expenses incurred in sending proxies and proxy materials to beneficial owners of our shares.

**Table of Contents**

**PARTIES TO THE TRANSACTION**

**SunEdison Semiconductor Limited**

The Company is a global leader in the manufacture and sale of silicon wafers to the semiconductor industry. For over 55 years, the Company has been a pioneer in the design and development of silicon wafer technologies. The Company has developed a broad product portfolio, an extensive global manufacturing footprint, process technology expertise, and supply chain flexibility.

The Company's business was established in 1959 and was known during most of its history as MEMC Electronic Materials, Inc. In 2014, the Company was spun-off from SunEdison, Inc. and listed on the NASDAQ Global Select Market. The Company's principal executive offices are located at 11 Lorong 3 Toa Payoh, Singapore 319579. The offices of the Company's subsidiary in the U.S. are located at 501 Pearl Drive (City of O'Fallon), St. Peters, Missouri 63376. The Company's telephone number at its principal office in Singapore is +65 6681-9300, and at its U.S. subsidiary is (636) 474-5000. The Company's website address is [www.sunedisonsemi.com](http://www.sunedisonsemi.com).

**GlobalWafers Co., Ltd.**

GWC is a leading manufacturer of semiconductor silicon wafers. Founded in 1981, GWC was the semiconductor business unit of SAS (Sino-American Silicon Product Inc.) and spun off as GlobalWafers Co., Ltd. in 2011 and listed on the Taipei Exchange. GWC's principal executive offices are located at No. 8, Industrial East Road 2, Science-Based Industrial Park, Hsinchu, Taiwan, R.O.C. and its telephone number is 886-3-577-2255. GWC's website address is [www.sas-globalwafers.com](http://www.sas-globalwafers.com).

**GWafers Singapore Pte. Ltd.**

Acquiror is a wholly owned subsidiary of GWC that was incorporated as a private limited Singapore company on February 2, 2016, solely for the purpose of engaging in the Transaction. Acquiror has not engaged in any business other than in connection with the Transaction and arranging debt financing in connection with the Transaction.

**The Scheme Shareholders**

The Scheme Shareholders are: (a) persons who are registered as holders of Company ordinary shares in the Register of Members of the Company, other than CEDE & Co.; and (b) persons who are holders of Company ordinary shares in book entry form on the register of DTC, which shares are held through DTC's nominee CEDE & Co., as the registered holder of such ordinary shares on the Register of Members of the Company. Scheme Shareholders shall in no event include GWC, Acquiror or their subsidiaries.



**Table of Contents**

**THE TRANSACTION**

The following is a description of the material aspects of the Transaction, including the implementation agreement and the scheme. While we believe that the following description covers the material terms of the Transaction, the description may not contain all of the information that is important to you. We encourage you to read carefully this entire proxy statement, including the implementation agreement and the scheme of arrangement, attached to this proxy statement as **Annex A** and **Annex B**, respectively, for a more complete understanding of the Transaction.

**Background of the Transaction**

Since its initial public offering in 2014, the Company has been keenly aware of the market desire for industry consolidation. Senior management and the Company's board of directors considered from time to time the Company's role in the changing market. In late 2014 and early 2015, senior management had multiple substantive contacts with executives of two leading companies in the semiconductor wafer industry to explore possible strategic transactions. In both cases, the Company was unable to elicit sufficient interest to pursue any strategic transaction.

During the fall of 2015, Shaker Sadasivam, President, Chief Executive Officer and a director of the Company, was contacted by a financial entity with interest in the semiconductor wafer industry. This entity disclosed to Dr. Sadasivam that it was interested in putting together a consortium of entities, who we refer to as Alternative Bidder A, in order to acquire the Company. On October 21, 2015, Dr. Sadasivam and Jeff Hall, Executive Vice President Finance and Administration and Chief Financial Officer of the Company, spoke with a representative of Alternative Bidder A. The parties discussed the possibility of a transaction between the Company and Alternative Bidder A. The board of directors of the Company was advised of this meeting with Alternative Bidder A on October 22, 2015, at its regularly scheduled meeting, at which senior management also disclosed the nature and substance of the discussion. On October 30, 2015, Alternative Bidder A entered into a non-disclosure agreement with the Company to facilitate a more detailed discussion about the Company and a possible transaction.

In a subsequent meeting on December 5, 2015 with Dr. Sadasivam and Mr. Hall, Alternative Bidder A reiterated its interest in acquiring the Company. The parties discussed pricing generally, but Alternative Bidder A did not offer any particular price or proposed terms for an acquisition.

On December 15, 2015, Doris Hsu, Chairwoman of GWC, sent a letter to Dr. Sadasivam expressing an interest in acquiring the Company at a substantial premium to the then trading price of the Company's ordinary shares. The letter expressed GWC's belief that combining the companies could create a leading global company with opportunities not available to each company individually and urged the Company to meet with GWC to discuss the proposal in detail. Management provided a copy of the letter to the full board of directors and convened a meeting of the board on December 16, 2015 to discuss the letter, the discussions with Alternative Bidder A, and the implications of these developments for the Company. The board directed senior management to follow up with GWC to obtain further information about its interest in the Company and to pursue the interest expressed by Alternative Bidder A to determine if a transaction was possible on terms acceptable to the Company.

On December 29, 2015, Dr. Sadasivam and Mr. Hall met with representatives of Alternative Bidder A and had further discussions about a possible transaction. No specific terms were offered by Alternative Bidder A.

On January 5, 2016, the board convened a meeting to receive an update from senior management on developments with Alternative Bidder A and GWC. The board directed management to engage with a financial advisor familiar with the Company and appropriately positioned to assist the Company in considering these potential offers.



## **Table of Contents**

After the January 5, 2016 board meeting, the Company contacted Barclays Capital, Inc. with a view to formally engage Barclays as the Company's financial advisor. On February 5, 2016, an engagement letter was signed by the Company and Barclays.

On January 11, 2016, GWC representatives, including Ms. Hsu and Mark England, President of GWC and its subsidiary, GlobiTech, Inc., traveled to St. Peters, Missouri, for a meeting with the Company. Dr. Sadasivam and Mr. Hall were present at that meeting. Because the parties had not yet reached agreement on the terms of a non-disclosure agreement which the Company had provided to GWC on January 4, 2016, Dr. Sadasivam and Mr. Hall provided Ms. Hsu and Mr. England with the Company's publicly available investor presentation concerning historic financials and industry information, and Ms. Hsu and Mr. England shared publicly available information about GWC. Ms. Hsu reiterated GWC's interest in acquiring the Company, stating that GWC would be willing to pay a significant premium over the current trading price of the Company's ordinary shares. No specific price was offered by GWC.

On January 12, 2016, the Company's board met to receive an update from senior management about the meetings with GWC. The board provided guidance to management in connection with these ongoing discussions, including the need to obtain from GWC a specific proposal that could be considered by the Company and the need to protect the confidentiality of competitively sensitive information. On January 17, 2016, Dr. Sadasivam contacted Ms. Hsu to advise GWC of the need for a specific proposal that the Company could consider and an appropriate non-disclosure agreement.

On January 20, 2016, Ms. Hsu sent a follow-up letter to the Company expressing an interest in acquiring the Company at an acquisition price of \$8.35 per share to \$11.00 per share, and requested a response by the week of February 15, 2016. Her letter indicated that the expression of interest was preliminary and non-binding until GWC conducted its due diligence and a definitive agreement was negotiated. On the same date, a copy of this letter was forwarded to members of the board of directors.

On February 3, 2016, at its regularly scheduled meeting, the board discussed the GWC letter of January 20, providing further direction to senior management with respect to pursuing the GWC expression of interest. The board expressed its view that the price range offered by GWC did not reflect the Company's value.

On February 17, 2016, Dr. Sadasivam contacted Ms. Hsu with the Company's response to her January 20, 2016 letter, indicating the Company's belief that the offered price range did not adequately reflect the Company's value. Ms. Hsu responded on the same date with a letter to the Company's board of directors (i) reiterating GWC's strong interest in purchasing the Company at the price of \$8.35 per share to \$11.00 per share, (ii) stating GWC's willingness to enter into a non-disclosure agreement only if it did not restrict GWC's ability to acquire the Company's ordinary shares and its ability to disclose the fact that negotiations regarding a strategic transaction were taking place between the parties and certain information regarding the negotiations, and (iii) stating that if the Company did not respond favorably to GWC's proposal or if the parties were unable to negotiate a mutually acceptable non-disclosure agreement, then GWC would publicly release its letter and begin communicating directly with the Company's shareholders. A revised version of the non-disclosure agreement previously provided to GWC was included with Ms. Hsu's letter.

A board meeting was held later that day. Senior management and representatives of outside counsel to the Company, Bryan Cave LLP, who we refer to as Bryan Cave, were present at the meeting. Dr. Sadasivam provided an update to the board on developments and specifically reported on the call between Dr. Sadasivam and Ms. Hsu which precipitated the letter to the board. Bryan Cave reviewed with the board its duties under Singapore law as previously presented to the board by its Singapore counsel, Rajah & Tann Singapore LLP, who we refer to as Rajah & Tann. After discussion, the board determined to conduct a full review of its strategic alternatives in light of the indications of interest expressed by GWC and Alternative Bidder A. The board approved the issuance of a press release disclosing

this determination and the Company's engagement of Barclays to assist in the review. The board directed Bryan Cave to negotiate an acceptable non-disclosure agreement with GWC's counsel.

## **Table of Contents**

On February 18, 2016, the Company announced that it was exploring a range of strategic alternatives and that it had retained Barclays. Also, Bryan Cave contacted White & Case LLP, which we refer to as White & Case, counsel for GWC and Acquiror, to discuss possible acceptable terms for the non-disclosure agreement.

On February 29, 2016, at the direction of the Company, representatives of Barclays had several telephone calls with Nomura Securities, which we refer to as Nomura, the financial advisors to GWC, to encourage their engagement in the sales process, to provide further information regarding the Company and to discuss the potential benefits of an acquisition of the Company. Barclays' representatives encouraged GWC to increase its price and consider terms that would provide sufficient certainty for closing a possible transaction. In the following weeks, at the direction of the Company, Barclays contacted Alternative Bidder A and an industry participant who we refer to as Alternative Bidder B, as well as five other industry participants and one other financial entity, and conducted confidential discussions about the Company and its sales process.

On February 23, 2016, Dr. Sadasivam and Mr. Hall met with representatives of Alternative Bidder A. Antonio Alvarez, Chairman of the Board of the Company, participated for part of that meeting. The parties discussed a possible acquisition of the Company by Alternative Bidder A. Alternative Bidder A did not offer any particular price or specific terms for such a transaction.

On February 29, 2016, the Company received an indication of interest from GWC to acquire the Company for a price of \$9.00 per share, accompanied by a draft implementation agreement for a proposed scheme of arrangement and a list of priority diligence issues.

On March 3, 2016, a board meeting was convened. Members of senior management were present. Mr. Hall updated the board on recent developments with respect to the ongoing discussions with GWC and Alternative Bidder A. The board asked questions and provided guidance to management with respect to key aspects of the potential transactions. The board instructed management to work with Barclays to develop a process letter and gave management specific guidance regarding the process to be followed.

On March 8, 2016, Mr. Sadasivam received a letter from Alternative Bidder A indicating its interest in acquiring all of the Company for a price of \$10.00 to \$12.00 per share.

During this time, senior management, Bryan Cave and Rajah & Tann worked to evaluate and understand potential implications of the Company's status as a Singapore-incorporated entity listed on NASDAQ, including possible difficulties associated with complying with both the Singapore Take-over Code and applicable SEC and NASDAQ requirements; the differences in standard and permissible transaction terms in Singapore transactions as compared with those in U.S. transactions; and the possibility of obtaining a waiver from the SIC of applicability of the Singapore Take-Over Code to a Company transaction. On March 9, 2016, Bryan Cave and White & Case discussed certain Singapore law issues and their implications for the proposed transaction, and continued negotiations regarding a non-disclosure agreement to facilitate GWC's due diligence. The Company opened an electronic data room and began providing information to facilitate the conduct of diligence by interested parties.

On March 11, 2016, as directed by the board, Barclays provided to each of Alternative Bidder A and GWC a process letter setting forth the Company's process for engaging with potential bidders. On the same date, Nomura provided Barclays with draft commitment letters for GWC's financing the proposed transaction. On March 12, 2016, after further discussions between Bryan Cave and White & Case, GWC entered into a non-disclosure agreement.

The Company then began to provide certain requested information to GWC to facilitate the conduct of its due diligence of the Company.

On March 14, 2016, representatives of GWC and Nomura traveled to St. Louis, Missouri to meet with the Company's management team and representatives of Barclays to discuss the potential transaction and for a presentation by Company management on the Company's business and financial performance.

## **Table of Contents**

In late March 2016, Bryan Cave and White & Case discussed various issues raised by the draft implementation agreement provided by White & Case for the proposed GWC transaction. In early April 2016, Bryan Cave provided draft implementation agreements to each of GWC and Alternative Bidder A.

On April 7, 2016, Nomura, on behalf of GWC, submitted to Barclays an updated indication of interest in acquiring the Company at a \$12.00 per share price, together with a revised draft of the implementation agreement. In this revised draft, GWC accepted the proposal that it would pay a reverse termination fee to the Company if the transaction failed to close as a result of a failure of its financing or failure to obtain CFIUS or other regulatory approvals, although the amount of, and security for, such reverse termination fee remained subject to negotiation.

A meeting of the board was convened on April 11, 2016 at which senior management was present. Mr. Hall confirmed delivery of the process letter to each of GWC and Alternative Bidder A and updated the board with developments in respect of each of the bidders.

On April 13, 2016, representatives of Alternative Bidder B met with Barclays to discuss its interest in the Company. On April 17, 2016, Alternative Bidder B entered into a non-disclosure agreement and on April 18, 2016, Barclays provided Alternative Bidder B with the process letter. On April 19, 2016, Barclays provided Alternative Bidder B a copy of the draft form of implementation agreement. On April 21, 2016, Dr. Sadasivam and Mr. Hall met telephonically with representatives of Alternative Bidder B for a management presentation. On April 28, 2016, Alternative Bidder B submitted a preliminary offer to purchase the Company at a 70-120% premium over the \$5.85 closing price of the Company's ordinary shares on April 27, 2016. Alternative Bidder B then submitted to the Company preliminary diligence inquiries.

From April 28 to April 30, 2016, Alternative Bidder A conducted site visits to the Company's manufacturing facilities in Taiwan and Korea as part of its diligence processes. Representatives of Alternative Bidder A conducted in-person meetings in St. Louis with Company management on May 5 and 6, 2016. Also, in late April 2016 and early May 2016, Bryan Cave and White & Case continued to exchange drafts of the implementation agreement and financing commitment letters for the possible GWC transaction. During this timeframe, Bryan Cave and Alternative Bidder A's counsel engaged in discussions relating to the implementation agreement, including the possibility of obtaining a waiver from the Singapore Take-over Code with respect to the transaction.

On May 3, 2016, at the board's regularly scheduled quarterly meeting, senior management provided the board with an update on developments with GWC, Alternative Bidder A and Alternative Bidder B. Barclays' representatives were present for a portion of the meeting and reviewed with the board matters related to the Company's process, including a timeline of events, bid summaries, regulatory issues, including CFIUS, antitrust and Singapore laws, and Barclays' preliminary valuation analysis of the Company.

On May 7, 2016, after conducting preliminary diligence, Alternative Bidder B reaffirmed its bid for the Company, offering a 120% premium over the April 27, 2016 closing price of \$5.85, implying a \$12.87 per share purchase price.

From May 17 to May 27, 2016, GWC conducted site visits to the Company's manufacturing facilities in Japan, Korea, Taiwan, Malaysia and Italy. On May 19, 2016, representatives of GWC and the Company met in Taiwan for a management presentation by the Company. On May 23 and 24, 2016, GWC management traveled to St. Louis for meetings with the Company's executive leadership team and a site visit of the Company's St. Peters, Missouri facility. On May 24, 2016, Antonio Alvarez, Chairman of the Board of the Company, met with Ms. Hsu in Barclays' offices in Menlo Park, California to discuss the possible combination of the Company with GWC.

From May 17 to May 25, 2016, Alternative Bidder A conducted site visits to the Company's manufacturing facilities in Japan and Italy.



## **Table of Contents**

On June 1, 2016, Alternative Bidder A provided a markup of the implementation agreement initially proposed by the Company. Alternative Bidder A's revised draft included closing contingencies, including relating to regulatory approval, which the Company and its advisors assessed as significant risks to closing. Alternative Bidder A did not provide for any reverse termination fee payable to the Company in the event that the transaction was not completed as a result of such contingencies.

On June 2, 2016, White & Case provided a further revised draft of the implementation agreement, and on June 5 and 6, the Company, Barclays, Nomura, Bryan Cave, White & Case and GWC engaged in discussions regarding the terms of the implementation agreement.

On June 3, 2016, Alternative Bidder B met with Company management in St. Peters, Missouri, and conducted a site visit of the St. Peters facility. Subsequently, counsel for Alternative Bidder B requested additional diligence materials which the Company and its counsel provided from June 28 to July 27, 2016.

On June 7, 2016, Alternative Bidder A conducted an additional site visit of the Company's facility in Taiwan. Also on June 7, Bryan Cave delivered to Alternative Bidder A's counsel an issues list relating to Alternative Bidder A's most recent proposed implementation agreement draft.

On June 9, 2016, after a management meeting between the Company and Alternative Bidder A, Alternative Bidder A communicated a verbal offer to acquire the Company at \$10.50 per share. Alternative Bidder A submitted a formal indication of interest on June 20, 2016, to acquire the Company for the \$10.50 per share price.

During the month of June 2016, Bryan Cave and White & Case continued to discuss and negotiate the terms of GWC's implementation agreement and commenced negotiations of ancillary transaction documents, including the disclosure schedules to the implementation agreement and a draft request to the SIC for a waiver of the Singapore Take-Over Code with respect to the transaction. Bryan Cave and counsel to Alternative Bidder A discussed issues relating to the draft implementation agreement for Alternative Bidder A's proposal.

In a letter dated June 27, 2016, GWC re-affirmed its previously submitted acquisition offer price of \$12.00 per share in a letter from Ms. Hsu to Mr. Alvarez, and raised certain diligence issues and transaction terms requiring further attention.

The board held a meeting on June 30, 2016. Senior management and representatives from Barclays and Bryan Cave were present. Bryan Cave reviewed with the directors issues related to the board's duties as previously presented by Rajah & Tann. Barclays reviewed the process timeline, summaries of the bids, key commercial issues and a preliminary Company valuation. Bryan Cave then reviewed with the board the key terms of the then current draft of the GWC implementation agreement, the transaction structure, conditions to closing, termination rights, fees, deal protection covenants and key open issues. Senior management and Bryan Cave shared with the board additional materials provided by Rajah & Tann concerning applicability of the Singapore Takeover Code to a scheme of arrangement or tender offer for the acquisition of the Company. Barclays and Bryan Cave responded to questions from the board. The board then had a lengthy and detailed discussion about strategic alternatives available to the Company, including continuing as an independent company. After discussion, the board directed senior management to continue to pursue the process to sell the Company and specifically authorized senior management to proceed to file with the Securities Industry Council (SIC) a request for a waiver of the Singapore Takeover Code with respect to a transaction structured as a scheme of arrangement with customary U.S. deal terms.

During early July 2016, Bryan Cave and White & Case exchanged drafts of the waiver request and worked to finalize substantially all of the terms of the implementation agreement such that the substantially complete draft agreement

could be submitted to the SIC with the waiver request. In this process, GWC agreed to a reverse termination fee of \$40 million, to be payable to the Company in circumstances related to GWC's failure to close as a result of a financing failure or a regulatory impediment to the transaction, with such reverse termination fee to be supported by an escrow deposit or a letter of credit.

## **Table of Contents**

On July 2, 2016, Dr. Sadasivam communicated to Alternative Bidder A the material deficiencies perceived by the board with respect to Alternative Bidder A's offer and what Alternative Bidder A would need to do to make its offer more competitive. Specifically, Dr. Sadasivam reiterated the board's belief that Alternative Bidder A's proposal had substantial conditionality and that to be competitive, Alternative Bidder A would need to offset this conditionality through a combination of increased price and a substantial reverse termination fee.

On July 8, 2016, Alternative Bidder A submitted an updated offer for \$12.60 per share. Alternative Bidder A's proposal with respect to the material closing conditions associated with its offer and lack of any reverse termination fee relating to regulatory approvals, however, remained unchanged. On July 11, 2016, Bryan Cave delivered to counsel for Alternative Bidder A a revised draft of the implementation agreement reflecting, among other things, a substantial reverse termination fee payable to the Company in the event that closing did not occur as a result of a failure to obtain any necessary regulatory approvals.

Also on July 11, 2016, the Company submitted to the SIC the Company's request for a waiver from the Singapore Takeover Code for the acquisition by GWC of the Company by way of a scheme of arrangement pursuant to the terms of the substantially complete implementation agreement draft. Later that day, GWC submitted to the SIC its letter in support of the waiver. On the same date, the board met with members of senior management and representatives of Bryan Cave present. Mr. Hall updated the board on recent developments regarding the potential transactions, including the filing with the SIC of the waiver request with respect to the GWC transaction.

On July 12, 2016, White & Case provided Bryan Cave with substantially final financing commitment letters for GWC's acquisition of the Company. Throughout July, White & Case and Bryan Cave continued to exchange drafts of disclosure schedules and to negotiate ancillary transaction documents, including with respect to the escrow of the reverse termination fee. The Company also continued to provide GWC with access to diligence materials.

On July 19, 2016, consistent with Singapore practice, the Company's board of directors retained Australia and New Zealand Banking Group Limited, Singapore Branch, which we refer to as ANZ, as the board of directors' independent financial advisor.

On July 22, 2016, senior management met with representatives of Alternative Bidder A and at that meeting Alternative Bidder A communicated to the Company an updated offer of \$12.80 per share without any material changes to the closing conditions and with no provision for a reverse termination fee. On July 24, 2016, counsel to Alternative Bidder A provided a revised draft of the implementation agreement consistent with Alternative Bidder A's offer.

On July 26, 2016, Alternative Bidder B informed Barclays that it was not interested in pursuing a transaction with the Company at that time.

Meanwhile, from July 24 through July 29, 2016, senior management met with Alternative Bidder A to continue negotiations on the terms of its offer, and Alternative Bidder A's financial and legal advisors continued discussions regarding the terms of the implementation agreement with Barclays and Bryan Cave. In a meeting with senior management on July 29, 2016, Alternative Bidder A confirmed its offer price of \$12.80 per share, but did not make material changes to other terms of the offer relating to conditions precedent to a closing of the transaction.

On August 3, 2016, the SIC communicated with Rajah & Tann a request for certain additional documentation in support of the Company's request for a waiver of the Singapore Take-Over Code relating to the GWC transaction.

Later on August 3, 2016, immediately following the Company's annual general meeting of shareholders, the board of directors convened its regularly scheduled meeting. Senior management and representatives of Bryan

## **Table of Contents**

Cave, Rajah & Tann and Barclays attended. Representatives of Bryan Cave and Rajah and Tann reviewed with the directors their duties under Singapore law and unique Singapore law issues raised by the potential GWC transaction. Bryan Cave presented to the board the details of the proposed transaction with GWC, including an in-depth discussion of the terms of the proposed implementation agreement. Representatives of Rajah & Tann discussed with the board developments in the SIC review of the Company's request for waiver of the Singapore Takeover Code and the SIC's request for additional documentation in support of the Company's request. Representatives of Barclays provided the board with an update of the process, disclosed details surrounding progress with each of GWC and Alternative Bidder A, as well as the departure from the process of Alternative Bidder B, and provided Barclays' assessment of each of the GWC and Alternative Bidder A proposed transactions. After discussing the status and proposed terms of each of the proposed transactions, the board (i) directed Bryan Cave to continue to finalize the terms of the implementation agreement with GWC in accordance with the proposal reviewed by the board, (ii) directed Rajah & Tann to prepare the additional requested documentation for the SIC, and (iii) directed senior management and Barclays to provide feedback to Alternative Bidder A on the need to enhance its offer in order to be competitive.

Senior management and Bryan Cave shared with GWC and White & Case the feedback from the board with respect to certain details of the proposed implementation agreement and the parties continued their negotiations of the agreement. Senior management and Barclays also communicated to Alternative Bidder A that it would need to increase its offer price or otherwise enhance its offer in order to remain competitive in the process. Rajah & Tann prepared the SIC requested documentation and, on behalf of the Company and as directed by the board, submitted the documentation to the SIC on August 8, 2016.

On August 7, 2016, Dr. Sadasivam met with Alternative Bidder A and discussed possible offer terms to address the threshold issues identified by the board required for Alternative Bidder A to remain in the sale process. Alternative Bidder A reiterated its interest in acquiring the Company and suggested certain revisions to its proposal.

On August 9, 2016, the board met with members of senior management and representatives of Bryan Cave. Dr. Sadasivam and Mr. Hall provided updates to the board on the status of the potential transactions. The board asked questions and discussed the issues. The board concluded that the suggested revisions to Alternative Bidder A's proposal were insufficient and reiterated the board's requirements for Alternative Bidder A's proposal to be competitive, which requirements included sufficient protection for the Company in the event of a regulatory impediment to the consummation of the transaction. The board then directed senior management and Bryan Cave to proceed to achieve agreement on the issues outstanding in the GWC implementation agreement.

As directed, senior management and representatives of Barclays contacted Alternative Bidder A, through its financial advisor, and conveyed the requirements from the board for Alternative Bidder A's proposal to be competitive. Work with GWC and its representatives to finalize the implementation agreement and ancillary transaction documents continued.

On August 11, 2016, the Company received the requested waiver from the SIC. On August 12, 2016, the board held a meeting. With members of senior management and Bryan Cave present, the board was advised of the receipt of the SIC waiver and provided an update with respect to the status of discussions with Alternative Bidder A. The board was advised of a possible timeline to proceed with the GWC transaction and the board directed that management, counsel and Barclays proceed with that timeline.

From August 11, 2016 through August 17, 2016, representatives of the Company, Barclays, Bryan Cave, GWC, Nomura and White & Case had various discussions to negotiate the unresolved issues in the implementation agreement, disclosure schedules and ancillary transaction documents. During this period, Bryan Cave and White & Case continued to exchange drafts of the implementation agreement. On August 11, 2016, Alternative Bidder A

provided the Company with responses to the Company's feedback resulting from the board's directives as described above. On August 15, 2016, Alternative Bidder A, through its financial advisor,

## Table of Contents

advised Barclays and senior management of the Company that Alternative Bidder A was unable to further revise its offer to adequately address the board's concerns regarding the contingencies associated with a transaction with Alternative Bidder A. On August 16, 2016, ANZ rendered its written opinion to the Company's board of directors that, based upon and having considered the information that has been made available to it and the factors set out in its opinion, the price of \$12.00 per share offered by GWC was fair and reasonable and not prejudicial, from a financial point of view, to the interests of the Company's shareholders (other than GWC and its subsidiaries).

At 5:00 pm Eastern time on August 17, 2016, the Company's board held a meeting with members of senior management and representatives of Bryan Cave, Rajah & Tann and Barclays present. Bryan Cave and Rajah & Tann reviewed with the board the applicable fiduciary duties to which the board was subject. Bryan Cave then reviewed the proposed final terms of the implementation agreement and escrow agreement. Representatives of Barclays reviewed their financial analyses of the acquisition consideration and rendered to the board Barclays' oral opinion, which was subsequently confirmed by delivery of a written opinion dated August 17, 2016, to the effect that, as of August 17, 2016 and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, the per share consideration of \$12.00 per ordinary share was fair, from a financial point of view, to the holders of the Company ordinary shares entitled to receive such consideration. After further consideration by the board of reasons for and against the transaction with GWC, the board unanimously determined the transaction with GWC pursuant to a scheme of arrangement as provided in the implementation agreement was in the interest of the Company, approved the form of implementation agreement and related agreements presented to it, directed that an application be made to the Singapore Court for leave to convene the court meeting for shareholder approval, and adopted such resolutions as were presented to the board to implement the transactions contemplated by the implementation agreement.

Following the meeting of the Company's board of directors on August 17, 2016, the Company and GWC executed the implementation agreement and escrow agreement and the Company received final copies of GWC's financing commitment letters.

Later on during the evening of August 17, 2016, the Company and GWC issued a joint press release announcing the execution of the implementation agreement.

## **Recommendation of the Company's Board of Directors; Reasons for the Transaction**

**The Company's board of directors has unanimously (i) determined that the Transaction is in the interests of the Company; (ii) approved the implementation agreement and determined the transactions contemplated by the implementation agreement, including the scheme of arrangement, to be in the interest of the Company; (iii) directed that an application be made to the Singapore court for leave to convene the Court meeting; and (iv) recommended that our shareholders vote FOR the adoption and approval of the scheme of arrangement.**

In reaching its determination, our board consulted with our management, as well as the Company's legal and financial advisors, and reviewed (i) historical information concerning the Company's business, financial performance and condition, operations, technology and competitive position, (ii) the financial condition, results of operations, businesses and strategic objectives of the Company, (iii) current financial market conditions and historical market prices, volatility and trading information with respect to the Company's ordinary shares, (iv) the consideration to be received by the Company's shareholders in the Transaction, (v) the terms of the implementation agreement, including the parties' representations, warranties, covenants, closing conditions and termination rights and obligations, and (vi) possible alternative strategies, including pursuing a transaction with Alternative Bidder A, as well as the prospects of the Company as a standalone company.

In addition, our board considered the following material factors:

The scheme price of \$12.00 per share to be received by Company shareholders represents a premium of approximately (i) 226.1% over the closing price of Company ordinary shares on the Nasdaq Global



**Table of Contents**

Select Market on February 17, 2016, the last completed trading day prior to the date that the Company announced it had received unsolicited indications of interest and would be considering its strategic alternatives, (ii) 103.4% over the average closing price for the Company's ordinary shares on the Nasdaq Global Select Market for the 90 trading days preceding the Company's announcement that it entered into the implementation agreement, and (iii) 44.9% over the closing price of the Company's ordinary shares on the Nasdaq Global Select Market on August 17, 2016, the last completed trading day prior to the Company's announcement that it entered into the implementation agreement.

The Transaction consideration consists solely of cash, which provides certainty of value to our shareholders.

GWC has, and has represented in the implementation agreement that it has, adequate capital resources available from its operations and through committed financing sources to pay the aggregate scheme consideration and any and all other fees and expenses required to be paid by GWC and Acquiror in connection with the Transaction, including the repayment of certain outstanding indebtedness of the Company.

The fact that GWC's obligation to complete the Transaction is not conditioned upon receipt of financing and that GWC obtained debt commitment letters with limited conditionality customary for acquisition financing commitment letters.

The fact that in the event of a failure of the Transaction to be consummated under certain circumstances, GWC will pay the Company a termination fee of \$40 million, without the need for the Company to establish any damages, and additionally, that GWC deposited \$40 million in an escrow account on August 17, 2016 as collateral and security for the payment of the termination fee by GWC to the Company, if applicable.

The strategic alternatives to a sale of the company available to the Company (including pursuing a transaction with Alternative Bidder A or continuing to operate the Company as a standalone public company), the range of potential benefits to Company shareholders of these alternatives and the timing and the likelihood of accomplishing the goals of such alternatives, as well as our board of directors' assessment that none of these alternatives was reasonably likely to present superior opportunities for the Company to create greater value for the Company's shareholders, taking into account risks of execution as well as business, competitive, industry and market risks.

The implementation agreement, subject to the limitations and requirements contained therein, allows us to furnish information to and engage in negotiations with a third party that makes an unsolicited bona fide acquisition proposal that the board of directors in good faith concludes, following consultation with its outside legal counsel and its financial advisors, is, or would be reasonably likely to lead to, a superior offer.

The limited number and nature of the conditions to GWC's obligation to consummate the Transaction and the obligations of GWC with respect to obtaining all regulatory approvals required for the consummation of the Transaction, which were the product of extensive arms-length negotiations among the parties and were

designed to provide a reasonable degree of certainty that the Transaction would ultimately be consummated on a timely basis.

The opinion delivered to the Company's board of directors by its financial advisor, Barclays, that the scheme price of \$12.00 per share to be received by the Company shareholders pursuant to the implementation agreement was fair from a financial point of view to such holders. Additionally, the board of directors received the opinion of the Company's IFA, ANZ, which also provided that the scheme price of \$12.00 per share to be received by Company shareholders pursuant to the implementation agreement was fair and reasonable and not prejudicial to the interests of shareholders from a financial point of view.

The general terms and conditions of the implementation agreement, including the parties' representations, warranties and covenants, the conditions to their respective obligations as well as the

**Table of Contents**

likelihood of the consummation of the Transaction, the proposed transaction structure, the termination provisions of the agreement and our board's evaluation of the likely time period necessary to close the Transaction.

In the course of its deliberations, our board also considered a variety of risks and other potentially negative factors, including the following:

The Transaction is subject to antitrust review in a number of jurisdictions as well as CFIUS review. Despite the Company's efforts to negotiate terms and conditions in the implementation agreement that increase the likelihood that all required approvals will be obtained, such reviews could delay or prevent the closing of the Transaction.

The implementation agreement precludes us from actively soliciting alternative acquisition proposals.

We are obligated to pay to GWC a termination fee of \$19.2 million if the implementation agreement is terminated in certain specified circumstances. Although the board felt that these payment terms were reasonable when viewed in context with all other aspects of the implementation agreement, it is possible that these provisions could discourage a competing proposal to acquire us or reduce the price in an alternative transaction.

The Transaction consideration consists solely of cash and will be taxable to the Company's U.S. shareholders for U.S. federal income tax purposes, and may be taxable to the Company's non-U.S. shareholders depending upon their circumstances. In addition, because our shareholders are receiving cash for their ordinary shares, they will not participate after the closing in any future growth or the benefits of synergies resulting from the Transaction.

Some of our directors and executive officers may have interests in the Transaction that are different from, or in addition to, those of our shareholders generally. See "The Transaction Interests of the Company's Directors and Executive Officers in the Transaction" beginning on page 52 of this proxy statement.

There are significant risks to our business during the pendency of the Transaction, as well as if the Transaction does not close, including the diversion of management and employee attention during the period after the signing of the implementation agreement, potential employee attrition, the potential effect on our business and customer relations, significant costs related to the Transaction and other economic, business and competitive factors.

Under the implementation agreement, from the time of signing until the closing of the Transaction, we must conduct our business in the ordinary course, and we are subject to a variety of restrictions on the conduct of our business prior to completion of the Transaction or termination of the implementation agreement, which may delay or prevent us from undertaking business opportunities that may arise.

Our board of directors believes that, overall, the potential benefits of the Transaction to the Company and its shareholders outweigh the risks and uncertainties of the Transaction and exceed the expected benefit of remaining a standalone company and the offer of the alternative bidder.

The above discussion is not intended to be exhaustive, but we believe it addresses the material information and factors considered by our board of directors in its consideration of the Transaction, including factors that support the Transaction as well as those that may weigh against it. In view of the number and variety of factors and the amount of information considered, our board of directors did not find it practicable to make specific assessments of, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination. In addition, our board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, and individual members of our board of directors may have given different weights to different factors.

## **Table of Contents**

### **The Scheme of Arrangement; Special Factors Regarding the Scheme**

#### ***Effects of the Scheme***

On the effective date of the scheme, each of the Company's ordinary shares (other than those held by GWC, Acquiror or their subsidiaries) will be transferred, fully paid, free from all liens and together with all rights, benefits and entitlements attaching thereto, to Acquiror at the scheme price of \$12.00 per share. The Company's shareholders will cease to have ownership interests in the Company and rights as shareholders. Instead, all Scheme Shareholders will receive the scheme price for each ordinary share held as of the effective date of the scheme. Following the effectiveness of the scheme, the Company will become a direct wholly owned subsidiary of Acquiror, and an indirect wholly owned subsidiary of GWC, and the Company will cease to be a stand-alone public company. The Company's ordinary shares will no longer be listed on any stock exchange or quotation system, including the Nasdaq Global Select Market, and will be deregistered under the Exchange Act upon application to the SEC, and the Company will no longer file periodic reports with the SEC.

#### ***Effects on the Company if the Scheme Does Not Become Effective***

If the scheme of arrangement is not approved by the requisite majority of Scheme Shareholders at the Court Meeting, or the scheme does not become effective or is terminated for any reason, the Company's ordinary shares will not be exchanged for cash from Acquiror. The Company will remain a separate, standalone public company, the Company's ordinary shares will continue to be listed and traded on the Nasdaq Global Select Market and registered under the Exchange Act, and the Company will continue to file periodic reports with the SEC.

#### ***Implementation of the Scheme***

**Application to the Singapore Court for Sanction.** Upon the approval of the scheme of arrangement by the requisite majority of Scheme Shareholders and the satisfaction of the other conditions to the closing (other than obtaining the order from the Singapore court sanctioning the scheme, which we refer to as the Scheme Court Order, and the filing of the Scheme Court Order with ACRA), the Company will make an application to the Singapore court to sanction (approve) the scheme.

**Implementation Procedure.** If the Singapore court sanctions the scheme, the Scheme Court Order will be filed with ACRA. Thereafter, the scheme will become effective on the date of filing and all of the Company's ordinary shares held by Scheme Shareholders as of the effective date will be acquired by Acquiror.

Upon the effectiveness of the scheme, all of the Company's ordinary shares held by Scheme Shareholders shall be transferred to Acquiror. For the purpose of giving effect to the transfer of such shares, the Company shall execute, or cause to be executed, on behalf of all Scheme Shareholders and on behalf of CEDE & Co., as DTC's nominee, an instrument or instruction of transfer of the ordinary shares held by such Scheme Shareholders (whether directly or held in the name of DTC through its nominee, CEDE & Co.) to the Acquiror, and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Scheme Shareholder and by CEDE & Co. respectively.

Prior to the effective date of the scheme, GWC or Acquiror shall enter into an agreement with a paying agent. GWC or Acquiror shall deposit, or cause to be deposited, with the paying agent at or prior to the effective date of the scheme, for the benefit of the Scheme Shareholders, a cash amount in immediately available funds sufficient to provide all funds necessary for the paying agent to make payments of the aggregate scheme consideration to each Scheme Shareholder for its ordinary shares as provided in the implementation agreement (the Scheme Fund). GWC

shall take all actions necessary to ensure that the Scheme Fund includes at all times cash sufficient to satisfy GWC or Acquiror's payment obligations for the Scheme Shareholders ordinary shares.

As promptly as practicable after the effective date of the scheme, the paying agent shall mail to each registered holder whose ordinary shares are represented by share certificates a letter of transmittal setting forth payment instructions for use in effecting the surrender of the share certificates in exchange for the scheme consideration (the Letter of Transmittal ). Upon surrender of share certificates for cancellation to the paying

## **Table of Contents**

agent or to such other agent or agents as may be appointed by GWC, and upon delivery of a Letter of Transmittal with respect to the share certificates, the holder of share certificates shall be entitled to receive in exchange therefor cash in an amount equal to the scheme consideration of \$12.00 per share, multiplied by the number of ordinary shares formerly represented by such share certificates and the share certificates so surrendered shall be cancelled. Any registered holders of ordinary shares that are non-certificated and represented by book-entry (excluding GWC, Acquiror and their subsidiaries) shall not be required to deliver a Letter of Transmittal and in lieu thereof, shall, upon receipt by the paying agent of an agent's message (or such other evidence, if any, of transfer as the paying agent may reasonably request) be entitled to receive the scheme consideration multiplied by the number of ordinary shares held by such Scheme Shareholder formerly represented by such book-entry. The paying agent will make such payments by way of (i) sending each registered shareholder a check payable to such registered shareholder, or (ii) crediting the designated bank account of each registered shareholder. Any payments to be made to any Registered Holder shall be subject net of any applicable withholding tax, if any.

The checks for the scheme consideration will be sent by first class mail to the address of each such shareholder (other than GWC, Acquiror and their subsidiaries) in the Register of Members of the Company or, in the case of joint shareholders, to the address of the shareholder (other than GWC, Acquiror or their subsidiaries) whose name appears first in the Register of Members of the Company, in each case, at the sole risk of such shareholder. If your shares are held in street name through your brokerage firm, bank, trust or other nominee, your account will be credited in accordance with your brokerage firm, bank, trust or other nominee's applicable procedures.

### ***Closure of Books***

**Notice of Books Closure.** If and after the scheme of arrangement is approved by the shareholders at the Court Meeting and the order of the Singapore court sanctioning the scheme is obtained, the Company will give notice of the books closure date to registered shareholders, for the purpose of determining the shareholders entitled to the scheme consideration. **The books closure date is tentatively scheduled for 5:00 p.m. Singapore time, on the effective date of the scheme.**

**Trading on NASDAQ.** Upon the effectiveness of the scheme, the Company will become a direct wholly owned subsidiary of Acquiror, and an indirect wholly owned subsidiary of GWC. The Company's ordinary shares will no longer be listed on any stock exchange or quotation system, including the Nasdaq Global Select Market. In addition, registration of the Company's ordinary shares and reporting obligations with respect to the Company's ordinary shares under the Exchange Act will be terminated upon application to the SEC.

### ***Settlement Procedures***

After the scheme becomes effective, the following settlement procedures will apply:

entitlements of Scheme Shareholders to the scheme consideration will be determined on the basis of their holdings of Company ordinary shares appearing on the Register of Members in respect of the Company at 5:00pm Singapore time on the effective date of the scheme;

each shareholder is strongly encouraged to take necessary actions to ensure that the Company ordinary shares owned by such shareholder are registered in his or her name (if the shareholder is a registered shareholder), or, if such shareholder is a holder of the Company ordinary shares in street name through a

broker, such shares are in accounts in his or her name, by the effective date; and

on the effective date of the scheme, each existing share certificate representing an interest in the Company's ordinary shares ceases to be evidence of title to the ordinary shares represented thereby. The registered shareholders will be notified of the procedures to submit share certificates to the address of the Company's share registrar (transfer agent).

As promptly as practicable after the effective date of the scheme, the paying agent shall mail to each registered holder whose ordinary shares are represented by share certificates the Letter of Transmittal. Upon surrender of the share certificates for cancellation to the paying agent or to such other agent or agents as may be appointed by GWC, and upon delivery of a Letter of Transmittal with respect to the share certificates, the holder



## **Table of Contents**

of the share certificates shall be entitled to receive in exchange therefor cash in an amount equal to the scheme consideration of \$12.00 per share multiplied by the number of ordinary shares formerly represented by such share certificates and the share certificates so surrendered shall be cancelled. If you hold ordinary shares in certificated form, you will not be entitled to receive the scheme consideration until you deliver a duly completed and executed letter of transmittal and also surrender your stock certificate or certificates to the paying agent.

Any shareholder that holds non-certificated shares represented by book-entry will not be required to deliver a certificate representing ordinary shares of the Company or a letter of transmittal in order to receive the scheme consideration. Each holder of record of one or more ordinary shares of the Company held in book-entry form will, upon receipt by the paying agent of an agent's message (or such other evidence, if any, of transfer as the paying agent may reasonably request), be entitled to receive the aggregate scheme consideration to which such shareholder is entitled.

The paying agent will (i) send to each registered shareholder a check payable to such registered shareholder, or (ii) credit the designated bank account of each registered shareholder, net of applicable withholding tax, if any, as payment for the transfer of such ordinary shares to Acquiror under the scheme. If your shares are held in street name through your brokerage firm, bank, trust or other nominee, your account will be credited in accordance with your brokerage firm, bank, trust or other nominee's applicable procedures.

The checks for the scheme consideration will be sent by first class mail to each such Scheme Shareholder who is a registered shareholder in the Register of Members of the Company to the address of such Scheme Shareholder set out in such Scheme Shareholder's letter of transmittal, if applicable, or in the case of joint shareholders, to the address of the registered shareholder whose name appears first in the Register of Members or such other address set forth in such Scheme Shareholder's letter of transmittal, if applicable, in each case, at the sole risk of such shareholder.

On or after the date falling six months after the date the payments for the scheme consideration are disbursed to the unaffiliated, registered shareholders, Acquiror will have the right to cancel or countermand payment of any check for the payment of the scheme consideration that has not been cashed (or returned uncashed) and is required to deposit such amount in a bank account in the name of Acquiror with a licensed bank in the United States or Singapore selected by the Acquiror. The Company or its successor entity is required to maintain such deposited amount in the bank account until six years after the effective date of the scheme. Prior to such date, the Company shall make payments from this bank account of amounts (without interest) payable to any person who satisfies the Company or its successor entity that such person is entitled to such amounts under the scheme and (if the scheme consideration is paid by check) the check of which such person is the payee has not been cashed. Following six years from the effective date of the scheme, the Company or its successor entity shall have no further obligation to make any payments under the scheme.

### ***Shareholders Outside the U.S. or the Republic of Singapore***

**Shareholders Outside the United States or the Republic of Singapore.** The applicability of the scheme to shareholders whose addresses are outside the U.S. and the Republic of Singapore, as shown on the Transfer Books and the Register of Members of the Company's ordinary shares, which we refer to as overseas Company shareholders, may be affected by the laws of the relevant jurisdictions where such persons are located. Accordingly, such overseas Company shareholders should inform themselves about and observe any applicable legal requirements.

It is the responsibility of overseas Company shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdiction, including the obtaining of any governmental or other consent which may be required and compliance with all required regulatory or legal requirements. Any overseas Company shareholder in any doubt

should consult his or her professional advisor in the relevant jurisdiction.

**Table of Contents**

Copies of proxy statement. Company shareholders, including overseas Company shareholders, may obtain additional copies of this proxy statement and any related documents during the normal business hours on any day prior to the date of the Court Meeting, by contacting:

**D.F. King & Co., Inc.**

**48 Wall Street**

**New York, NY 10005**

**Attn: Richard Grubaugh**

**(888) 869-7406**

It is the responsibility of any overseas Company shareholder who requests a copy of this proxy statement and any related documents to satisfy himself or herself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required and compliance with all necessary formalities or legal requirements. In requesting a copy of this proxy statement and any related documents, the overseas Company shareholder represents and warrants to the Company that he or she is in full observance of the laws of the relevant jurisdiction in that connection, and that he or she is in full compliance with all necessary formalities or legal requirements.

Notice. The Company reserves the right to notify any or all Company shareholders with a registered address outside the U.S. or the Republic of Singapore of any matter, including the fact that the scheme has been proposed, by announcement through public filings with the SEC and/or paid advertisement in a daily newspaper published and circulated in the U.S. and in the Republic of Singapore, and such notice will be deemed to have been sufficiently given notwithstanding any failure by any shareholder to receive or see such filing or announcements. As long as the Company's ordinary shares remain listed on the NASDAQ Global Select Market, the Company will continue to be subject to the applicable reporting requirements under the Exchange Act and NASDAQ rules.

***Appraisal Rights***

Once the scheme is approved by the requisite majority of the Scheme Shareholders, is sanctioned by the Singapore court and becomes effective, it will be binding on all shareholders of the Company. Dissenting shareholders may file an objection with the Singapore court against the granting of the Singapore court sanction, but no appraisal rights are available to dissenting shareholders in connection with a scheme effected under Singapore law.

***Regulatory Matters***

Pursuant to the Companies Act, Chapter 50 of Singapore, the Singapore court has directed that the Court Meeting be convened for the purpose of approving the scheme. If the requisite majority of the Scheme Shareholders votes to adopt and approve the scheme at the Court Meeting, an application will be made to the Singapore court by the Company to sanction the scheme.

Pursuant to an application made by the Company, on July 11, 2016, the SIC confirmed on August 11, 2016 the waiver of the application of the provisions of the Singapore Take-over Code in its entirety to the Company with respect to the scheme.

Pursuant to the directions of the Singapore court, for the purposes of determining the number of Company's shareholders present and voting at the Court Meeting, Company ordinary shares that are deposited in book entry form with DTC, and registered in the name of CEDE & Co. as nominee of DTC and holders of record in the Register of Members of the Company, will be treated as follows:

- i. CEDE & Co shall be deemed not to be a Company shareholder; and
- ii. each sub-depositor shall be deemed to be a Company shareholder in respect of such number of Company ordinary shares held in its account under CEDE & Co.

## Table of Contents

Each sub-depositor need not vote the shares registered in its name in the same way. Accordingly, a sub-depositor may:

- a. vote all or part of its Company ordinary shares FOR the scheme of arrangement, which part shall be counted in value for adopting and approving the Scheme;
- b. vote all or part of its Company ordinary shares AGAINST the scheme of arrangement, which part shall be counted in value against adopting and approving the Scheme; and/or
- c. abstain from voting in respect of all part of its Company ordinary shares, which part shall not be counted in determining the value of shares which are present and voting on the scheme of arrangement.

For purposes of determining the number of the Company shareholders present and voting at the Court Meeting, a sub-depositor will be taken to have voted FOR the scheme of arrangement, if the number of Company ordinary shares voted FOR the scheme of arrangement by it exceeds the number of Company ordinary shares voted AGAINST the scheme of arrangement by it, or AGAINST the scheme of arrangement, if the number of Company ordinary shares voted AGAINST the Scheme by it equals or exceeds the number of Company ordinary shares voted FOR the scheme of arrangement by it.

A Company shareholder (including a sub-depositor) voting by proxy shall be included in the count of the Company's shareholders present and voting at the Court Meeting as if that Company shareholder was voting in person, such that the votes of a proxy who has been appointed to represent more than one Company shareholder at the Court Meeting shall be counted as the votes of such number of appointing Company shareholders.

## **Opinion of the Company's Financial Advisors**

### *Opinion of Barclays*

Beginning in December 2015, the Company consulted with Barclays regarding a possible sale of the Company. The board of directors of the Company formally engaged Barclays to act as its financial advisor with respect to such potential transaction in accordance with an engagement letter dated February 5, 2016. On August 17, 2016, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the Company's board of directors that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the scheme price of \$12.00 per share to be offered to the Company's shareholders in the proposed transaction was fair, from a financial point of view, to such shareholders.

**The full text of Barclays' written opinion, dated as of August 17, 2016, is attached as Annex C to this proxy statement. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety. The following is a summary of Barclays' opinion and the methodology that Barclays used to render its opinion. This summary is qualified in its entirety by reference to the full text of the opinion.**

Barclays' opinion, the issuance of which was approved by Barclays' Valuation and Fairness Opinion Committee, is addressed to and was provided for the benefit of the Company's board of directors, addresses only the fairness, from a financial point of view, of the scheme price of \$12.00 per share to be offered to the Company's shareholders and does

not address any other aspect of the proposed transaction. The opinion does not constitute a recommendation to any Company shareholder as to how to vote or act with respect to the proposed transaction or any other matter. The terms of the proposed transaction were determined through arm's-length negotiations between the Company and GWC and were unanimously approved by the Company's board of directors. Barclays did not recommend any specific form of consideration to the Company or that any specific form of consideration constituted the only appropriate consideration for the proposed transaction. Barclays was not requested to address, and its opinion does not in any manner address, the Company's underlying business decision to proceed with or effect the proposed transaction, the likelihood of consummation of the proposed transaction, or the relative merits of the proposed transaction as compared to any other transaction in which the Company might engage. In addition, Barclays expressed no opinion on, and its opinion does not in any manner

**Table of Contents**

address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the proposed transaction, or any class of such persons, relative to the scheme price of \$12.00 per share to be offered to the Company's shareholders in the proposed transaction. No limitations were imposed by the Company's board of directors upon Barclays with respect to the investigations made or procedures followed by it in rendering its opinion.

In arriving at its opinion, Barclays reviewed and analyzed, among other things:

a draft of the implementation agreement, dated as of August 16, 2016, which sets forth the specific terms of the proposed transaction;

publicly available information concerning the Company that Barclays believed to be relevant to its analysis, including the Company's Annual Reports on Form 10-K for the fiscal years ended December 31, 2015 and December 31, 2014, the Company's earnings releases for the fiscal quarters ended June 30, 2016, March 31, 2016 and December 31, 2015 and other filings with the Securities and Exchange Commission that Barclays deemed relevant;

publicly available information concerning GWC that Barclays believed to be relevant to its analysis, including GWC's Annual Reports for the fiscal years ended December 31, 2015 and December 31, 2014, GWC's Quarterly Financial Reports for the fiscal quarters ended March 31, 2016 and June 30, 2016, and research analyst projections for GWC;

financial and operating information with respect to the business, operations and prospects of the Company furnished to Barclays by the Company, including financial projections of the Company prepared by management of the Company;

the trading history of the Company's shares from May 22, 2014 to August 15, 2016 and a comparison of such trading history with those of other companies that Barclays deemed relevant, including GWC;

the results of Barclays' efforts to solicit indications of interest from third parties with respect to strategic alternatives involving the Company, including reviewing certainty of terms, financing, and regulatory requirements of such indications of interest;

a comparison of the present and projected financial condition of the Company and GWC with each other and with those of other companies that Barclays deemed relevant;

a comparison of the financial terms of the proposed transaction with the financial terms of certain other transactions that Barclays deemed relevant; and

published estimates of independent research analysts with respect to the projected future financial performance and price targets of the Company.

In addition, Barclays has had discussions with the management of the Company concerning its business, operations, assets, liabilities, financial condition and prospects and has undertaken such other studies, analyses and investigations as Barclays deemed appropriate.

In arriving at its opinion, Barclays assumed and relied upon the accuracy and completeness of the financial and other information used by Barclays without any independent verification of such information (and Barclays had not assumed responsibility or liability for any independent verification of such information) and has further relied upon the assurances of the Company's management that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to the financial projections of the Company, upon advice of the Company, Barclays assumed that such projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of the Company as to the Company's future financial performance and that the Company would perform substantially in accordance with such projections. Barclays has not been provided with, and did not have any access to, financial projections of GWC prepared by management of GWC. In arriving at its opinion, Barclays assumed no responsibility for and expressed no view as to any such projections or estimates or the assumptions on which they were based. In arriving at its opinion, Barclays did not conduct a physical inspection of the properties and facilities of the



## **Table of Contents**

Company and did not make or obtain any evaluations or appraisals of the assets or liabilities of the Company. Barclays' opinion was necessarily based upon market, economic and other conditions as they existed on, and could be evaluated as of, the date of its opinion. Barclays assumed no responsibility for updating or revising its opinion based on events or circumstances that may have occurred after the date of its opinion.

Barclays assumed that the executed implementation agreement would conform in all material respects to the last draft reviewed by Barclays, dated as of August 16, 2016. Additionally, Barclays assumed the accuracy of the representations and warranties contained in the implementation agreement and all the agreements related thereto. Barclays also assumed, upon the advice of the Company, that all material governmental, regulatory and third party approvals, consents and releases for the merger would be obtained within the constraints contemplated by the implementation agreement and that the proposed transaction will be consummated in accordance with the terms of the implementation agreement without waiver, modification or amendment of any material term, condition or agreement thereof and in accordance with any Singapore law requirements to the extent applicable to the proposed transaction. Barclays did not express any opinion as to any tax or other consequences that might result from the proposed transaction, nor did Barclays' opinion address any legal, tax, regulatory or accounting matters, as to which Barclays understood the Company had obtained such advice as it deemed necessary from qualified professionals.

In connection with rendering its opinion, Barclays performed certain financial, comparative and other analyses as summarized below. In arriving at its opinion, Barclays did not ascribe a specific range of values to the Company's ordinary shares, but rather made its determination as to fairness, from a financial point of view, to the Company's shareholders of the scheme price of \$12.00 per share to be offered to such shareholders in the proposed transaction on the basis of various financial and comparative analyses. The preparation of a fairness opinion is a complex process and involves various determinations as to the most appropriate and relevant methods of financial and comparative analyses and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to summary description.

In arriving at its opinion, Barclays did not attribute any particular weight to any single analysis or factor considered by it but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by it and in the context of the circumstances of the particular transaction. Accordingly, Barclays believes that its analyses must be considered as a whole, as considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion.

The following is a summary of the material financial analyses used by Barclays in preparing its opinion to the Company's board of directors. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Barclays, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses. In performing its analyses, Barclays made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of the Company or any other parties to the proposed transaction. None of the Company, GWC, Acquiror, Barclays or any other person assumes responsibility if future results are materially different from those discussed. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of the businesses do not purport to be appraisals or reflect the prices at which the businesses may actually be sold.

**Table of Contents*****The Company******Comparable Company Analysis***

In order to assess how the public market values shares of similar publicly traded companies, Barclays reviewed and compared specific financial and operating data relating to the Company with selected silicon wafer companies that Barclays, based on its experience in the industry, deemed comparable to the Company. The companies that Barclays selected as comparable to the Company were:

**Companies**

GlobalWafers Co., Ltd.  
Shin-Etsu Chemical Co. Ltd.  
SUMCO Corporation  
Siltronic AG

Barclays calculated and compared various financial multiples and ratios of the Company, and those of the respective selected comparable companies. As part of its selected comparable company analysis with respect to the Company, Barclays calculated and analyzed each company's enterprise value, or EV, as a multiple of its calendar year 2016 estimated revenue, its calendar year 2016 and 2017 estimated earnings before interest, taxes, depreciation and amortization, stock compensation and non-recurring items or EBITDA, and its calendar year 2017 estimated EBITDA minus capital expenditures. The enterprise value of each company was obtained by adding its short and long-term debt to the sum of the market value of its common equity, calculated as fully diluted equity value, using the treasury stock method, based on closing stock prices on August 15, 2016, the value of any preferred stock, the value of any pension liabilities and the book value of any minority interest, and subtracting its cash, cash equivalents and liquid investments. All of these calculations were performed, and based on publicly available financial data (including FactSet, a subscription-based data source containing historical and estimated financial data) and closing stock prices, as of August 15, 2016. The results of this selected comparable company analysis are summarized below:

|                             | EV / Revenue |          | EV / EBITDA |          | EV / EBITDA-Capex |          |
|-----------------------------|--------------|----------|-------------|----------|-------------------|----------|
|                             | CY 2016E     | CY 2017E | CY 2016E    | CY 2017E | CY 2016E          | CY 2017E |
| GlobalWafers Co., Ltd.      | 1.44x        | 1.33x    | 6.6x        | 6.4x     | 13.9x             | 10.0x    |
| Shin-Etsu Chemical Co. Ltd. | 1.85x        | 1.82x    | 7.1x        | 6.6x     | 14.0x             | 12.8x    |
| SUMCO Corporation           | 2.04x        | 1.97x    | 11.8x       | 9.8x     | 30.9x             | 20.8x    |
| Siltronic AG                | 0.90x        | 0.87x    | 6.2x        | 5.4x     | 15.9x             | 10.2x    |

Barclays selected the comparable companies listed above because of similarities in one or more business or operating characteristics with the Company. However, because no selected comparable company is exactly the same as the Company, Barclays believed that it was inappropriate to, and therefore did not rely solely on the quantitative results of the selected comparable company analysis. Accordingly, Barclays also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of the Company and the selected comparable companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between the Company and the companies included in the selected comparable company analysis. Based upon these judgments, Barclays selected a range of multiples for the Company and applied such range to the management projections of the Company, as well as to

published estimates of independent research analysts associated with various Wall Street firms, to calculate ranges of implied value per share. The management

**Table of Contents**

projections of the Company are set forth in the section captioned —Certain Unaudited Prospective Financial Information beginning on page 49. The results of these calculations are summarized as follows:

|   | Selected Multiple |       | Implied Value per Share |         |
|---|-------------------|-------|-------------------------|---------|
|   | Range             |       |                         |         |
| EV / CY 2016E Revenue Wall Street                         | 0.75x             | 1.40x | \$8.43                  | \$18.88 |
| EV / CY 2016E Revenue Management                          | 0.75x             | 1.40x | \$8.48                  | \$18.98 |
| EV / CY 2016E Adjusted EBITDA (defined below) Wall Street | 5.0x              | 8.0x  | \$5.30                  | \$10.81 |
| EV / CY 2016E Adjusted EBITDA Management                  | 5.0x              | 8.0x  | \$5.56                  | \$11.20 |
| EV / CY 2017E Adjusted EBITDA Wall Street                 | 4.5x              | 8.0x  | \$6.39                  | \$14.27 |
| EV / CY 2017E Adjusted EBITDA Management                  | 4.5x              | 8.0x  | \$7.58                  | \$16.37 |
| EV / CY 2017E Adjusted EBITDA minus Capex Management      | 8.0x              | 12.0x | \$3.44                  | \$7.19  |

Barclays noted that on the basis of the selected comparable company analysis with respect to the Company, the scheme price of \$12.00 per share was (i) above the range of implied value per share calculated using estimated calendar years 2016 Adjusted EBITDA and estimated calendar year 2017 Adjusted EBITDA minus capital expenditures and (ii) within the ranges of implied value per share calculated using estimated calendar year 2016 and 2017 revenue and estimated 2017 Adjusted EBITDA.

*Precedent Transaction Analysis*

Barclays reviewed and compared the purchase prices and financial multiples paid in selected other transactions that Barclays, based on its experience with merger and acquisition transactions, deemed relevant. Barclays chose such transactions based on, among other things, the similarity of the applicable target companies in the transactions to the Company with respect to the size, mix, margins and other characteristics of their businesses. Barclays reviewed the following precedent transactions:

| Announcement Date | Acquirer                                      | Target  |
|-------------------|---|---|
| 05/20/2016        | GlobalWafers Co, Ltd.                         | Topsil Semiconductor Materials (Silicon Business) |
| 04/01/2016        | National Silicon Industry Group               | Okmetic, Oyj                                      |
| 12/14/2015        | Advanced Semiconductor Engineering, Inc.      | Siliconware Precision Industries Co., Ltd.        |
| 11/06/2014        | Jiangsu Changjiang Electronics Technology     | STATS ChipPAC Ltd. (100% Stake)                   |
| 07/02/2012        | Micron Technology, Inc.                       | Elpida Memory, Inc. <sup>(1)</sup>                |
| 08/10/2011        | Sino-American Silicon Products Inc. of Taiwan | Covalent Materials Corp. (Silicon Wafer Business) |
| 12/07/2009        | Chipbond Technology Corporation               | International Semiconductor Technology Ltd.       |
| 09/04/2009        | Advanced Technology Investment Company, LLC   | Chartered Semiconductor Manufacturing Ltd.        |
| 10/07/2008        | Advanced Technology Investment Company, LLC   | Advanced Micro Devices (The Foundry Company)      |
| 05/19/2008        | Advanced Semiconductor Engineering, Inc.      | ASE Test Limited                                  |
| 06/26/2007        | TPG Capital / Affinity Equity Partners        | United Test and Assembly Center Ltd.              |
| 06/04/2007        | Flextronics International Ltd.                | Solectron Corporation                             |

Edgar Filing: SunEdison Semiconductor Ltd - Form PREM14A

|            |                                     |   |
|------------|-------------------------------------|---|
| 10/17/2006 | Benchmark Electronics, Inc.         | Pemstar Inc.                                      |
| 02/07/2005 | Jabil Circuit, Inc.                 | Varian, Inc. (Electronics Manufacturing Business) |
| 10/13/2004 | Kingboard Chemical Holdings Limited | Elec & Eltek International Holdings               |

(1) Filed for bankruptcy in Feb. 2012.

**Table of Contents**

For each of the selected transactions, based on information Barclays obtained from publicly available information, Barclays analyzed the enterprise value to the applicable company's last 12-months ( LTM ) revenue and EBITDA and the applicable company's forward 12-months ( FTM ) and EBITDA. The results of this precedent transaction analysis are summarized below:

|        | <b>EV / LTM EBITDA</b> | <b>EV / FTM EBITDA</b> |
|--------|------------------------|------------------------|
| Mean   | 7.8x                   | 6.7x                   |
| Median | 6.3x                   | 5.5x                   |
| High   | 17.5x                  | 13.0x                  |
| Low    | 2.8x                   | 2.8x                   |

The reasons for and the circumstances surrounding each of the selected precedent transactions analyzed were diverse and there are inherent differences in the business, operations, financial conditions and prospects of the Company and the companies included in the selected precedent transaction analysis. Accordingly, Barclays believed that a purely quantitative selected precedent transaction analysis would not be particularly meaningful in the context of considering the proposed transaction. Barclays therefore made qualitative judgments concerning differences between the characteristics of the selected precedent transactions and the proposed transaction which would affect the acquisition values of the selected target companies and the Company. Based upon these judgments, Barclays selected ranges of multiples for the Company and applied such ranges to the management projections of the Company on a standalone basis to calculate ranges of implied value per share. The management projections are set forth in the section captioned —Certain Unaudited Prospective Financial Information beginning on page 49. The following table sets forth the results of such analysis:

|   | <b>Selected Multiple Range</b> |      | <b>Implied Value per Share</b> |         |
|---|--------------------------------|------|--------------------------------|---------|
| EV / LTM Adjusted EBITDA <sup>(1)</sup> | 6.0x                           | 8.0x | \$7.64                         | \$11.44 |
| EV / FTM Adjusted EBITDA                |                                |      |                                |         |
| Wall Street <sup>(2)</sup>              | 5.0x                           | 6.0x | \$5.30                         | \$7.16  |
| EV / FTM Adjusted EBITDA                |                                |      |                                |         |
| Management <sup>(2)</sup>               | 5.0x                           | 6.0x | \$5.56                         | \$7.46  |

(1) Last twelve months as of June 30, 2016.

(2) Estimated calendar year 2016.

Barclays noted that on the basis of the selected precedent transaction analysis with respect to the Company, the scheme price of \$12.00 per share was (i) above the ranges of implied value per share calculated using LTM and FTM Adjusted EBITDA.

*Discounted Cash Flow Analysis*

In order to estimate the present value of the Company's ordinary shares, Barclays performed a discounted cash flow analysis of the Company. A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the present value of estimated future cash flows of the asset. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

To calculate the estimated enterprise value of the Company using the discounted cash flow method, Barclays added (i) the Company's projected after-tax unlevered free cash flows for half of calendar year 2016 and full calendar years 2017 through 2018 based on management projections to (ii) the terminal value of the Company as of the end of calendar year 2018, and discounted such amount to its present value (as of June 30, 2016) using a range of selected discount rates. Barclays used the mid-year convention in its discounted cash flow analysis because it more accurately reflects the present value of future cash flows since cash flows are actually earned throughout the year rather than at the end of the year. The management projections of the Company are set forth in the section captioned —Certain Unaudited Prospective Financial Information beginning on page 49.

**Table of Contents**

For purposes of this analysis, Barclays excluded stock-based compensation and non-recurring charges. The after-tax unlevered free cash flows were calculated by taking the tax-affected earnings before interest and tax expense, adding depreciation and amortization, subtracting capital expenditures and adjusting for changes in working capital. The residual value of the Company at the end of the forecast period, or terminal value, was estimated by: (1) selecting a range of perpetuity growth rates of 3.0% to 5.0%, which range was derived by Barclays utilizing its professional judgment and experience, taking into account the financial forecasts and market expectations regarding long-term growth of gross domestic product and inflation, and applying such range to the management projections; (2) applying a multiple range 5.0-8.0x to the Company's estimated 2018 EBITDA, as adjusted by the Company for purposes of its financial statements, calculated as earnings before net interest expense; income tax expense (benefit); depreciation and amortization; restructuring charges (reversals); non-recurring items; loss on sale of property, plant, and equipment; long-lived asset impairment charges; pension settlement charges; stock compensation expense; and equity in loss of equity method investments or Adjusted EBITDA; and (3) applying a multiple range of 8.0-12.0x to the Company's estimated 2018 Adjusted EBITDA minus capital expenditures. The range of discount rates of 12.0% to 16.0% was selected based on an analysis of the weighted average cost of capital of the Company and the comparable companies used in the Company's Comparable Company Analysis above. Barclays then calculated a range of implied value per share by taking estimated equity value using the discounted cash flow method and dividing such amount by the fully diluted number of shares, calculated using the treasury stock method, of the Company as of June 30, 2016.

This analysis implied the following ranges of value per share:

| <b>Terminal Value Methodology</b>         | <b>Selected Range</b> |       | <b>Implied Value per Share</b> |         |
|---|-----------------------|-------|--------------------------------|---------|
| Perpetuity Growth Rate                    | 3.00%                 | 5.00% | \$4.39                         | \$11.76 |
| Adjusted EBITDA Exit Multiple             | 5.0x                  | 8.0x  | \$9.64                         | \$18.53 |
| Adjusted EBITDA minus Capex Exit Multiple | 8.0x                  | 12.0x | \$7.25                         | \$13.42 |

Barclays noted that on the basis of the discounted cash flow analysis the scheme price of \$12.00 per share was (i) above the range of implied value using the perpetuity growth method for the Terminal Value calculation and (ii) within the range of implied value using the Adjusted EBITDA and Adjusted EBITDA minus Capex exit multiple methodologies.

*Other Factors*

Barclays also noted certain additional factors that were not considered part of Barclays' financial analyses with respect to its fairness determination but were referenced for informational purposes, including among other things the factors discussed below.

*Research Analysts' Price Targets Analysis*

Barclays considered research analysts' per share price targets for the Company's ordinary shares, which were publicly available from FactSet, of which there were four. The research analysts' per share price targets for Shares ranged from \$5.50 to \$8.75 (calculated as the mid-point of one analyst's target price range of \$8.00 - \$9.50, which was at the highest end of the range). The publicly available per share price targets published by securities research analysts do not necessarily reflect the current market trading prices for Shares and these estimates are subject to uncertainties, including future financial performance of the Company and future market conditions.

*Historical Share Price Analysis*



To illustrate the trend in the historical trading prices of the Company's ordinary shares, Barclays considered historical data with regard to the trading prices of the ordinary shares over the 52 weeks prior to August 15, 2016. During such period, the trading price of the ordinary shares ranged from \$3.47 to \$13.67.

**Table of Contents***Premiums Paid Analysis*

In order to assess the premium offered to the Company's shareholders in the proposed transaction relative to the premiums offered to stockholders in other transactions, Barclays reviewed the premiums paid in all announced global strategic technology merger and acquisition transactions (excluding leveraged buy-outs and mergers of equals) valued between \$200 million and \$1 billion from 2010 to 2016 year-to-date, of which there were 149 in total. For each of the transactions, Barclays calculated the premium per share paid by the acquirer by comparing the announced transaction value per share to the target company's: (i) closing price on the last trading day prior to the announcement of the transaction; and (ii) average closing price for the 30 calendar days prior to the announcement of the transaction. The results of this premiums paid analysis are summarized below:

|                                      | <b>1st Quartile</b> | <b>Median</b> | <b>3rd Quartile</b> |
|--------------------------------------|---------------------|---------------|---------------------|
| 1-Day Prior to Announcement          | 16%                 | 30%           | 41%                 |
| 30-Day Average Prior to Announcement | 21%                 | 33%           | 44%                 |

Based on the 1<sup>st</sup> and 3<sup>rd</sup> quartiles for premiums offered to stockholders in precedent transactions, Barclays selected a range of premiums to (1) the closing price of the Company's ordinary shares on August 15, 2016 and (2) the 30 calendar day average of the closing prices of the Company's ordinary share, ending August 15, 2016, to calculate ranges of implied value per share of the Company's ordinary shares. The following summarizes the result of these calculations:

|                      | <b>Selected Premium Range</b> |     | <b>Implied Value per Share</b> |         |
|----------------------|-------------------------------|-----|--------------------------------|---------|
| 1-Day Price          | 20%                           | 40% | \$9.82                         | \$11.45 |
| 30-Day Average Price | 25%                           | 45% | \$8.44                         | \$9.79  |

*General*

Barclays is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. The Company's board of directors selected Barclays because of its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally, as well as substantial experience in transactions comparable to the proposed transaction.

Barclays is acting as financial advisor to the Company in connection with the proposed transaction. As compensation for its services in connection with the proposed transaction, the Company has agreed to pay Barclays certain transaction related fees, which are currently estimated to be approximately \$10.9 million, of which \$1.0 million became payable upon the delivery of Barclays' opinion, and the remainder of which will become payable solely upon the consummation of the proposed transaction. The Company has agreed to reimburse Barclays for its reaso