

MANDATORY UNCONDITIONAL CASH OFFER

by



Kim Eng Capital Pte. Ltd.

(Incorporated in Singapore)

(Co. Reg. No: 200207700C)

for and on behalf of

Sino Fortune Union Investment Limited

(Incorporated in the British Virgin Islands)

(Co. Reg. No: 1380560)

to acquire all of the issued ordinary shares in the capital of

Radiance Electronics Limited

(Incorporated in Singapore)

(Co. Reg. No: 200202428H)

other than those already owned, controlled or agreed to be acquired by the Offeror

DESPATCH OF OFFER DOCUMENT

1. Introduction

Kim Eng Capital Pte. Ltd. ("**Kim Eng Capital**") wishes to announce, for and on behalf of Sino Fortune Union Investment Limited ("**Sino Fortune**" or the "**Offeror**"), that the Offeror has today despatched the offer document dated 19 October 2007 (the "**Offer Document**"), which contains details of the mandatory unconditional cash offer (the "**Offer**") for all issued ordinary shares (the "**Shares**") in the capital of Radiance Electronics Limited ("**Radiance**" or the "**Company**") that are not already owned, controlled or agreed to be acquired by the Offeror or any party acting in concert with it (the "**Offer Shares**").

An electronic copy of the Offer Document will be available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

Outstanding options granted under the Radiance Share Option Scheme are not freely transferable by the holders thereof ("**Optionholders**"). In view of this restriction, the Offeror is making a proposal ("**Options Proposal**") to the Optionholders. The Options Proposal dated 19 October 2007, together with the Offer Document, has also been despatched to Optionholders today.

All capitalised terms used and not defined herein shall have the same meanings as ascribed to them in the Offer Document.

2. Offer Document and Related Documents

2.1 **Form(s) of Acceptance.** Included with the Offer Document are the following documents:

- 2.1.1 (in the case of the Offer Document sent to a shareholder of Radiance (“**Shareholder**”) whose securities account with The Central Depository (Pte) Limited (“**CDP**”) is credited with Offer Shares (“**Depositor**”), a Form of Acceptance and Authorisation (“**FAA**”); and
- 2.1.2 (in the case of the Offer Document sent to a Shareholder who holds Offer Shares which are not deposited with CDP (“**Scrip Shareholder**”), a Form of Acceptance and Transfer (“**FAT**”).

2.2 Request for Documents.

2.2.1 **Request for Documents.** If you are a Shareholder and do not receive the Offer Document and the relevant form of acceptance within a week of the date hereof, please contact CDP or Boardroom Corporate & Advisory Services Pte. Ltd. (formerly known as Lim Associates (Pte) Ltd) (the “**Receiving Agent**”), as the case may be, immediately at the following addresses:

If you are a Depositor, please contact:

The Central Depository (Pte) Limited
4 Shenton Way #02-01
SGX Centre 2
Singapore 068807

If you are a Scrip Shareholder, please contact:

Boardroom Corporate & Advisory Services Pte. Ltd.
(formerly known as Lim Associates (Pte) Ltd)
3 Church Street #08-01
Samsung Hub
Singapore 049483

2.2.2 **Depositors.** If you are a Depositor and your securities account with CDP is or will be credited with Offer Shares, you may obtain the FAA from CDP on production of satisfactory evidence to this effect.

2.2.3 **Scrip Shareholders.** If you are a Scrip Shareholder and you hold Offer Shares in scrip form, you may obtain the FAT from the Receiving Agent on production of satisfactory evidence to this effect.

2.2.4 **Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register of Members of Radiance or in the records of CDP, as the case may be (“**Overseas Shareholders**”) may be affected by the laws of the relevant overseas jurisdictions. It is not intended that the Offer will be made, in or into, and the Offer is not capable of acceptance in or from any jurisdiction in or from which the making of the Offer is prohibited or affected by the laws of that

jurisdiction. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements. For the avoidance of doubt, the Offer is made to all Shareholders, including those to whom the Offer Document has not been sent.

The Offer Document, the FAA and the FAT will not be sent to Overseas Shareholders due to potential restrictions on sending such documents to the relevant jurisdictions. Any affected Overseas Shareholders may nonetheless obtain copies of the Offer Document and any related documents, during normal business hours and up to the Closing Date (as defined in paragraph 3 below), from the Offeror through the Receiving Agent, being Boardroom Corporate & Advisory Services Pte. Ltd. (formerly known as Lim Associates (Pte) Ltd) at its office located at 3 Church Street, #08-01 Samsung Hub, Singapore 049483.

Alternatively, Overseas Shareholders may write to the Receiving Agent at the abovestated address to request for a copy of the Offer Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, provided always that such written request shall be received by the Receiving Agent three Market Days prior to the Closing Date.

It is the responsibility of any Overseas Shareholders who wish to accept the Offer or who request for the Offer Document and any related documents to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in that connection, including without limitation, the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdictions. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments required to be paid by such Overseas Shareholders and/or any person acting on their behalf. In accepting the Offer or requesting for the Offer Document and any related documents, the Overseas Shareholder represents and warrants to the Offeror that he is in full observance of the laws of the relevant jurisdiction in that connection, that he is in full compliance with all necessary formalities or legal requirements, and that the Offeror will not be in breach of any such laws or requirements.

The Offeror and Kim Eng Capital each reserves the right to notify any matter, including without limitation the fact that the Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.

2.3 Procedures for Acceptance. Full details of the procedures for acceptance of the Offer are set out in the Offer Document and in the FAA and the FAT (as applicable).

3. Closing Date

The Offer will be open for acceptance until **5.30 p.m. on 19 November 2007** (the “Closing Date”).

The Offeror does not intend to extend the Offer beyond that date or to revise the terms of the Offer. Accordingly, notice is hereby given that the Offer will close at 5.30 p.m. on the Closing Date and will not be open, revised or extended for acceptances beyond 5.30 p.m. on the Closing Date.

4. Responsibility Statement

The directors of the Offeror (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources or obtained from Radiance (including, without limitation, information in relation to the Group), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

Issued by
Kim Eng Capital Pte. Ltd.

For and on behalf of
Sino Fortune Union Investment Limited

22 October 2007

Any inquiries relating to this announcement or the Offer should be directed to the following:

Ding Hock Chai
Co-Head, Corporate Finance
Kim Eng Capital Pte. Ltd.

Tel: (65) 6432 1837
Fax: (65) 6336 3912