

RAFFLES EDUCATION CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400712N)

PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF CONVERTIBLE BONDS AND PLACEMENT OF CONVERTIBLE BONDS

- **LODGEMENT AND DISSEMINATION OF OFFER INFORMATION STATEMENT AND TIMETABLE OF KEY EVENTS**
 - **TERMS OF ADJUSTMENT AND REDEMPTION**
-

1. INTRODUCTION

The board of directors (the “**Board**”) of Raffles Education Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”), refers to :-

- the announcements on the proposed renounceable underwritten rights issue of convertible bonds and placement of convertible bonds dated 7 June 2022, 8 June 2022, 28 July 2022, 6 August 2022 and 22 August 2022 (collectively, the “**Rights Issue and Placement Announcements**”). All capitalised terms used herein shall bear the meaning ascribed to them in the Rights Issue and Placement Announcements;
- the joint statement by the Monetary Authority of Singapore (the “**Authority**”), the Securities Industry Council of Singapore and the Singapore Exchange Regulation on 6 May 2020 and subsequent joint statement on 29 June 2021 in relation to the further extension of temporary measures to among others, allow issuers involved in rights issues the option to electronically disseminate offer documents through publication on SGXNET and their corporate websites instead of despatching hardcopy offer documents as required under the Securities and Futures Act 2001 of Singapore, beyond 30 June 2021 (collectively the “**Joint Statement**”); and
- the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020 (together with the Joint Statements, the “**Electronic Dissemination Measures**”).

Unless otherwise defined herein or the context otherwise requires, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Offer Information Statement (as defined herein).

2. LODGEMENT, DESPATCH AND/OR DISSEMINATION OF THE OFFER INFORMATION STATEMENT AND ITS ACCOMPANYING DOCUMENTS

The Board wishes to announce that the offer information statement dated 30 August 2022 in relation to the Rights Issue and Placement (the “**Offer Information Statement**”), together with the product highlights sheet in relation to the Rights Issue and Placement (the “**Product Highlights Sheet**”), has today been lodged with the Authority.

Pursuant to the Electronic Dissemination Measures, the Offer Information Statement and the Product Highlights Sheet will not be despatched to Entitled Shareholders and Purchasers, but have instead been made available for viewing online as Portable Document Format (PDF) files at, and may be downloaded or printed from, the following online locations

- (a) SGXNET at <https://www.sgx.com/securities/company-announcements>; and
- (b) the Company’s corporate website at <https://raffles.education/>.

(together, the "Online Locations").

You should read the Offer Information Statement carefully before making any acceptance of Nil-Paid Rights and (if applicable) application for Excess Rights Issue Bonds.

All investments come with risk, including the risk that you may lose all or part of your investment. You are responsible for your own investment decisions. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser(s).

Physical copies of a notification letter specifying the Online Locations and containing, among others, instructions on how to access, view, download and print the electronic version of the Offer Information Statement (the "OIS Notification Letter") will be despatched, together with the application form for Rights Issue Bonds and Excess Rights Issue Bonds (the "ARE") or the provisional allotment letter (the "PAL"), as the case may be, to Entitled Shareholders on or around 2 September 2022.

Entitled Depositors who do not receive the OIS Notification Letter and/or the ARE may contact CDP via its hotline at +65 6535 7511 or via email at asksqx@sgx.com, on Mondays to Fridays from 8.30 a.m. to 5.00 p.m. and on Saturdays from 8.30 a.m. to 12.00 noon, during the period from the date the Rights Issue commences up to 16 September 2022 at the times set out in paragraph 4.1 below.

Entitled Scripholders who do not receive the OIS Notification Letter and/or the PAL may obtain a copy from the Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, on Mondays to Fridays from 9.00 a.m. to 5.00 p.m., during the period from the date the Rights Issue commences up to the Closing Date.

For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, Foreign Shareholders will not be eligible to participate in the Rights Issue. The Offer Information Statement and its accompanying documents, including the Product Highlights Sheet, the OIS Notification Letter, the ARE and the PAL, have not been and will not be despatched or disseminated to Foreign Shareholders.

3. ADDITIONAL DETAILS OF THE RIGHTS ISSUE

3.1 Acceptances of Nil-Paid Rights and Applications for Excess Rights Issue Bonds

Acceptances of Nil-Paid Rights and (if applicable) applications for Excess Rights Issue Bonds may only be made by Entitled Shareholders:

- (a) in the case of Entitled Depositors, by way of the ARE through CDP (by post) and/or by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service (including PayNow); and
- (b) in the case of Entitled Scripholders, by way of the PAL through the Share Registrar (by post).

In light of measures implemented due to the COVID-19 situation, the CDP Customer Service Centre will be temporarily closed until further notice. All CDP services will be provided through CDP internet, phone (+65 6535 7511) and email services (asksqx@sgx.com).

Shareholders who have previously purchased their Shares under the CPF Investment Scheme ("CPFIS Members"), Shareholders who have previously purchased their Shares under the Supplementary Retirement Scheme ("SRS Investors") and investors who hold Shares through finance companies or Depository Agents should note that any acceptance and/or application made directly by such investors through CDP, Electronic Applications at ATMs of the Participating Bank, the Share Registrar and/or the Company

will be rejected. Such investors, where applicable, will receive notification letters from their respective approved banks, finance companies or Depository Agents, as the case may be, and should refer to such notification letters for details of the last date and time to submit acceptances of their Nil-Paid Rights and (if applicable) applications for Excess Rights Issue Bonds to such intermediaries.

More information on the procedures for, and terms and conditions applicable to, acceptances, renunciations and/or sales of Nil-Paid Rights and applications for Excess Rights Issue Bonds, including the different modes of acceptance, application and payment, can be found in the Offer Information Statement and in the ARE, the PAL and the ARS.

3.2 Trading Period for Nil-Paid Rights

The trading period for the Nil-Paid Rights on the SGX-ST will commence from 9.00 a.m. on 2 September 2022 and will end at 5.30 p.m. on 12 September 2022.

Entitled Depositors who sell their Nil-Paid Rights during the trading period need not forward the ARE to the Purchasers as arrangements will be made by CDP for the ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the OIS Notification Letter, the ARS and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP.

The Offer Information Statement and its accompanying documents will not be despatched or disseminated to Purchasers whose registered addresses with CDP are not in Singapore ("**Foreign Purchasers**"). Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the Nil-Paid Rights credited to their Securities Accounts should make the necessary arrangements with their respective Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder whose address as stated in the PAL is not in Singapore will not be entitled to accept the Nil-Paid Rights renounced to him. The Company reserves the right to reject any acceptances of the Nil-Paid Rights and/or applications for Excess Rights Issue Bonds where it believes, or has reason to believe, that such acceptance and/or application may violate the applicable legislation of any jurisdiction.

4 IMPORTANT DATES AND TIMES

4.1 The timetable below sets out certain important dates and times in relation to the Rights Issue. All dates and times referred to below are Singapore dates and times.

Last date of "cum-rights" trading	: 26 August 2022
Commencement of "ex-rights" trading	: 29 August 2022 from 9.00 a.m.
Record Date	: 30 August 2022 at 5.00 p.m.
Lodgement of the Offer Information Statement (together with the Product Highlights Sheet, the OIS Notification Letter, the ARE, the ARS and the PAL) with the Authority and electronic dissemination of this Offer Information Statement and the Product Highlights Sheet	: 30 August 2022

Despatch of the OIS Notification Letter (together with the ARE or the PAL, as the case may be)	: 2 September 2022
Commencement of trading of Nil-Paid Rights	: 2 September 2022 from 9.00 a.m.
First date and time for acceptance of and payment for Rights Issue Bonds and/or application and payment for Excess Rights Issue Bonds	: 2 September 2022 (9.00 a.m. for Electronic Applications at ATMs of the Participating Bank)
Last date and time for splitting and trading of Nil-Paid Rights	: 12 September 2022 at 5.30 p.m.
Last date and time for acceptance of and payment for Rights Issue Bonds and Excess Rights Issue Bonds ⁽¹⁾	: 16 September 2022 at 5.30 p.m. for acceptances and/or applications made through CDP or the Share Registrar 16 September 2022 at 9.30 p.m. for Electronic Applications at ATMs of the Participating Bank
Last date and time for acceptance of and payment for Rights Issue Bonds by renounees ⁽¹⁾	: 16 September 2022 at 5.30 p.m. for acceptances and/or applications made through CDP or the Share Registrar 16 September 2022 at 9.30 p.m. for Electronic Applications at ATMs of the Participating Bank
Expected date for allotment and issue of Rights Issue Bonds	: 23 September 2022
Expected date for crediting of Rights Issue Bonds	: 26 September 2022
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	: 26 September 2022
Expected date and time for the listing and commencement of trading of Rights Issue Bonds on SGX-ST	: 27 September 2022 from 9.00 a.m.

Note:

- (1) This does not apply to CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents. Any acceptance and/or application made directly by such investors through CDP, Electronic Applications at ATMs of the Participating Bank, the Share Registrar and/or the Company will be rejected. Such investors, where applicable, will receive notification letters from their respective SRS Approved Banks, finance companies or Depository Agents, as the case may be, and should refer to such notification letters for details of the last date and time to submit acceptances of their Nil-Paid Rights and (if applicable) applications for Excess Rights Issue Bonds to such intermediaries.

- 4.2** The timetable below sets out certain important dates and times in relation to the Placement. All dates and times referred to below are Singapore dates and times.

Expected date for allotment and issue of the Placement Bonds : 23 September 2022

Expected date for crediting of the Placement Bonds : 26 September 2022

Expected date and time for the listing and commencement of trading of the Placement Bonds on SGX-ST 27 September 2022 from 9.00 a.m.

- 4.3** The above timetables are indicative only and are subject to change. The Company may, with the approval of SGX-ST, modify the above timetables subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through an SGXNET announcement posted on SGX-ST's website at <http://www.sgx.com>.

5. TERMS OF ADJUSTMENT AND REDEMPTION

The conditions under which the Conversion Price may be adjusted are set out under Condition 5(C) of the Terms and Conditions while the conditions under which the Convertible Bonds may be redeemed are set out under Condition 7 of the Terms and Conditions. The Terms and Conditions are attached to this announcement as Appendix A.

By Order of the Board

Raffles Education Corporation Limited
30 August 2022

APPENDIX A – TERMS AND CONDITIONS OF THE CONVERTIBLE BONDS

The following, subject to amendment and other than the words in italics, is the text of the Conditions of the Convertible Bonds which will appear on the reverse of each of the Definitive Certificates evidencing the Convertible Bonds:

The issue of up to S\$44,131,906 in aggregate principal amount of 6% Convertible Bonds due 2027 (the “**Convertible Bonds**”) of Raffles Education Corporation Limited (the “**Issuer**”) was authorised by the board of directors of the Issuer on 25 August 2022 and the shareholders of the Issuer at the annual general meeting held on 30 October 2021.

The Convertible Bonds are constituted by a trust deed (as amended, restated or supplemented from time to time, the “**Trust Deed**”) dated 30 August 2022 made between (1) the Issuer and (2) Pacific Trustees (Singapore) Ltd. (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being acting as the trustee or trustees under the Trust Deed), as trustee for the Bondholders. The Convertible Bonds are issued with the benefit of a deed of covenant (as amended, restated or supplemented from time to time, the “**Deed of Covenant**”) dated 30 August 2022, executed by the Issuer by way of a deed poll. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Convertible Bonds. The Issuer has entered into a paying, conversion and transfer agency agreement (as amended, restated or supplemented from time to time, the “**Agency Agreement**”) dated 30 August 2022 made between (1) the Issuer, (2) Pacific Trustees (Singapore) Ltd., as principal paying agent, conversion agent and transfer agent (collectively, the “**Principal Agent**”), (3) Pacific Trustees (Singapore) Ltd., as registrar (the “**Registrar**”) and the other paying, conversion and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**”, “**Transfer Agent**” and together with the Registrar and the Principal Agent, the “**Agents**”) relating to the Convertible Bonds and (4) the Trustee, as trustee for the Bondholders. References to the “Principal Agent”, “Registrar”, “Paying Agent”, “Conversion Agent”, “Transfer Agent” and “Agents” below are references to the principal agent, registrar, paying agent, conversion agent, transfer agent and agents for the time being for the Convertible Bonds. The Issuer has also signed an application form which has been accepted by The Central Depository (Pte) Limited (“**CDP**”) together with the terms and conditions for the provision of depository services by CDP referred to therein (the “**CDP Application Form**”).

To the extent applicable, the Issuer has paid any taxes and capital, stamp, issue and registration duties arising on the issuance of the Convertible Bonds and the registration of the Bondholders in the Register.

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and the CDP Application Form are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Principal Agent for the time being. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

Words and expressions defined in the Trust Deed shall have the same meanings where used in these Conditions, unless the context otherwise requires or unless otherwise stated.

1. FORM AND TITLE

(A) Form

The Convertible Bonds are issued in registered form in the denomination of S\$1.00 each and in integral multiples thereof. A Convertible Bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of the Convertible Bonds. Each Convertible Bond and each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the Register (as defined below).

Upon issue, the Convertible Bonds will be represented initially by the Global Certificate (as defined below) deposited with, and registered in, the name of CDP. The Conditions are modified by certain provisions contained in the Global Certificate. Except in the limited circumstances described in the Global Certificate, owners of interests in Convertible Bonds represented by the Global Certificate will not be entitled to receive Definitive Certificates in respect of their individual holdings of Convertible Bonds. The Convertible Bonds are not issuable in bearer form.

(B) Title

Title to the Convertible Bonds shall pass only by transfer and registration in the Register as described in Condition 2. The holder of any Convertible Bonds will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder as owner. In these Conditions, “**Bondholder**” and (in relation to a Convertible Bond) “**holder**” means the person in whose name a Convertible Bond is registered.

“**Global Certificate**” means the global certificate representing the Convertible Bonds (or some of them), substantially in the form set out in Schedule 2 (*Form of Global Certificate*) of the Trust Deed. For so long as any of the Convertible Bonds is represented by the Global Certificate and the Global Certificate is registered in the name of CDP, each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Convertible Bonds (in which regard any certificate or other document issued by CDP as to the principal amount of such Convertible Bonds standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer, the Principal Agent, the Registrar, all other Agents and the Trustee as the holder of such principal amount of Convertible Bonds other than with respect to the payment of principal, interest and any other amounts in respect of the Convertible Bonds, for which purpose the registered holder of the Global Certificate shall be treated by the Issuer, the Principal Agent, the Registrar, all other Agents and the Trustee as the holder of such Convertible Bonds in accordance with and subject to the terms of the Global Certificate (and the expressions “**Bondholder**” and “**holder**” and related expressions shall be construed accordingly). Convertible Bonds which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of CDP.

2. TRANSFER OF CONVERTIBLE BONDS AND ISSUE OF CERTIFICATES

(A) Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register (the “**Register of Bondholders**” or “**Register**”) on which shall be entered the names and addresses of the Bondholders and the particulars of the Convertible Bonds held by them and of all transfers of the Convertible Bonds. Each Bondholder shall be entitled to receive only one (1) Certificate in respect of its entire holding. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Issuer, the Registrar and the Bondholders shall treat each person whose name is recorded in the Register as a Bondholder for all purposes of the Convertible Bonds and the other Issue Documents. Subject to applicable law, the Registrar shall, upon prior written request and proof of holding, at all reasonable times during office hours (being between 9 a.m. and 3 p.m.), make the Register of Bondholders available to the Bondholders for inspection.

(B) Transfer

Subject always to the terms of the Agency Agreement and Conditions 2(D) and 2(E) below, one or more Convertible Bonds may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Convertible Bonds to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Convertible Bonds represented by one (1) Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. No transfer of title to a Convertible Bond will be valid unless and until entered on the Register.

Registration of transfer of Convertible Bonds will be effected without charge by or on behalf of the Issuer or any Agent but upon payment (or the giving of such indemnity, security and/or pre-funding as the Issuer or any Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

Transfers of interests in the Convertible Bonds evidenced by the Global Certificate will be effected in accordance with the rules of CDP. Except in the limited circumstances described in the Global Certificate, owners of interests in Convertible Bonds represented by the Global Certificate will not be entitled to receive physical delivery of Certificates.

(C) Delivery of New Certificates

- (i) Each new Certificate to be issued upon a transfer of Convertible Bonds will, within seven (7) Business Days of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent of the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Convertible Bonds (but free of charge to the holder and at the Issuer's expense) to the address specified in the form of transfer.
- (ii) Where only part of a principal amount of the Convertible Bonds (being that of one or more Convertible Bonds) in respect of which a Certificate is issued is to be transferred or converted, a new Certificate in respect of the Convertible Bonds not so transferred or converted will, within seven (7) Business Days of delivery of the original Certificate to the Registrar or other relevant Agent, be made available for collection at the specified office of the Registrar or such other relevant Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Convertible Bonds not so transferred or converted (but free of charge to the holder) to the address of such holder appearing on the Register.
- (iii) For the purposes of this Condition 2(C) only, "**Business Day**" means a day (other than a Saturday or Sunday or gazetted public holiday) on which banks are generally open for business in Singapore.

Except in the limited circumstances described in the Global Certificate, owners of interests in Convertible Bonds represented by the Global Certificate will not be entitled to receive physical delivery of Certificates.

(D) Formalities Free of Charge

Registration of a transfer of Convertible Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon (i) payment (or the giving of such indemnity, security and/or pre-funding as the Issuer, the Registrar or the Transfer Agent may require in respect of any such tax or charges) in respect of any tax or other governmental charges which may be imposed in relation to such transfer, (ii) the Issuer, the Registrar or the Transfer Agent being satisfied that the regulations concerning the transfer of Convertible Bonds have been complied with and (iii) the receipt by the relevant Agent of such evidence as it may require.

(E) Closed Periods

No Bondholder may require the transfer of a Convertible Bond to be registered (i) during the period of twenty (20) Trading Days (as defined at Condition 5(C)(10)) ending on (and including) the due date for any payment of principal on the Convertible Bonds on the Maturity Date (as defined in Condition 7(A)) or the Tax Redemption Date (as set out in Condition 7(D)), (ii) any period after the conversion notice has been delivered pursuant to these Conditions with respect to such Convertible Bonds, (iii) the period of twenty (10) Trading Days ending on (and including) any Interest Record Date (as defined in Condition 6(A)(iii)), each such period being a "Closed Period".

(F) Regulation

All transfers of Convertible Bonds and entries on the Register will be made subject to the detailed regulations concerning the transfer of Convertible Bonds scheduled in the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee and (in the case of any change proposed by the Registrar or the Trustee) with the prior written approval of the Issuer. A copy of the current regulations will be made available by the Registrar (free of charge to the holders at the cost of the Issuer) to any Bondholder upon prior written request and presentation of proof of holding.

3. STATUS

The Convertible Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. The Convertible Bonds shall at all times rank *pari passu* and rateably without any preference or priority among themselves, and shall rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer from time to time outstanding.

4. INTEREST

- (i) The Convertible Bonds shall bear interest at the rate of 6% per annum (the "**Interest Rate**") on the outstanding principal amount of the Convertible Bonds from (and including) 23 September 2022 (the "**Issue Date**"). Interest is payable semi-annually in arrear (each such date for payment of such interest hereafter referred to as an

“**Interest Payment Date**”), with the first Interest Payment Date commencing on the date falling six months from the Issue Date, and every subsequent Interest Payment Date falling on the date six months from the preceding Interest Payment Date Each Convertible Bond will cease to bear interest (a) where the Conversion Right attached to it shall have been exercised, from and including the Interest Payment Date last preceding its Conversion Date (as defined below) (or if such Conversion Date falls on or before the first Interest Payment Date, the Issue Date) subject to conversion of the relevant Convertible Bond in accordance with the provisions of Condition 5(B), or (b) from the due date for redemption thereof unless, upon due presentation, payment of the full amount due is improperly withheld or refused. In such event it shall continue to bear interest in accordance with this Condition until the earlier of (x) the day on which all sums due in respect of such Convertible Bond up to that day are received by or on behalf of the relevant Bondholder, and (y) the day being the seventh (7th) day after the Trustee or the Principal Agent has notified Bondholders of receipt of all sums due in respect of all the Convertible Bonds up to that seventh (7th) day (except to the extent that there is failure in the subsequent payment to the relevant holder under these Conditions).

- (ii) If interest is required to be calculated for a period of less than one (1) year, it will be calculated on the basis of a 365-day year and the actual number of days elapsed. Interest payable under this Condition will be paid in accordance with Condition 6.
- (iii) No payment or adjustment will be made on conversion for any interest accrued on converted Convertible Bonds since the Interest Payment Date last preceding the relevant Conversion Date, or, if the Convertible Bonds are converted on or before the first Interest Payment Date, since the Issue Date.

5. CONVERSION

(A) Conversion Right

- (i) Minimum Number of Convertible Bonds: To exercise the Conversion Right attaching to any Convertible Bond, the holder thereof must convert at least 100 Convertible Bonds. This Condition 5(A)(i) shall not apply in the event permission is not granted by SGX-ST for the listing and quotation of the Convertible Bonds on the Mainboard of the SGX-ST.
- (ii) Conversion Period: Subject as hereinafter provided, Bondholders have the right to convert their Convertible Bonds into new Shares (as defined below) at any time during the Conversion Period (as defined below) at the Conversion Price (as defined below).

The right of a Bondholder to convert any Convertible Bond into new Shares is called the “**Conversion Right**”.

Subject to and upon compliance with these Conditions and any applicable fiscal or other laws or regulations, the Conversion Right attaching to any Convertible Bond may be exercised, at the option of the holder thereof, commencing on the date falling sixty (60) calendar days after the issue date of the Convertible Bonds, up to the close of business (at the place where the Certificate evidencing such Convertible Bond is deposited for conversion) on a date ten (10) calendar days prior to the Maturity Date (as defined below) (but, except as provided in Condition 5(A)(v), in no event thereafter) or if such

Convertible Bond shall have been called for redemption before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than ten (10) calendar days (at the place aforesaid) prior to the date fixed for redemption thereof (but, except as provided in Condition 5(A)(v), in no event thereafter) but excluding the Closed Periods (the “**Conversion Period**”); provided that, in each case, if such final date for the exercise of Conversion Rights is not a Business Day at the place aforesaid, then the period for exercise of Conversion Rights by Bondholders shall end on the immediately preceding Business Day at the place aforesaid. The Issuer shall, at least one (1) month before the end of the Conversion Period, give notice to Bondholders in accordance with Condition 13 of the last date of the Conversion Period and shall make such announcement of such last date of the Conversion Period as may be required under any applicable law or rules of the SGX-ST, as the case may be.

Notwithstanding the foregoing, if the Conversion Date in respect of a Convertible Bond would otherwise fall during a period in which the register of members of the Issuer is closed generally or for the purpose of establishing entitlement to any dividend or other rights attaching to the Shares (a “**Book Closure Period**”), such Conversion Date shall be postponed to the first Stock Exchange Business Day (as defined in Condition 5(B)(i)) after the expiry of such Book Closure Period. Any exercise of a Conversion Right shall be deemed to be ineffective and, subject to Condition 5(A)(v), shall be deemed to have expired if, as a result of any postponement pursuant to this Condition 5, the Conversion Date would fall on a day after expiry of the Conversion Period or, in the case of the exercise of such rights as aforesaid, after the relevant redemption date.

The number of new Shares to be issued and delivered on conversion of a Convertible Bond will be determined by dividing the principal amount of the Convertible Bond to be converted by the Conversion Price in effect at the Conversion Date (both as hereinafter defined). Following conversion in accordance with these Conditions, the right of the converting Bondholder to repayment of the principal amount of the Convertible Bond shall be extinguished and released, and in consideration and in exchange therefor, the Issuer shall allot and issue Shares credited as paid-up in full as provided in this Condition 5. A Conversion Right may only be exercised in respect of one or more Convertible Bonds.

- (iii) Fractions of Shares: Fractions of Shares will not be issued on conversion and no cash adjustments or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one (1) Convertible Bond is exercised at any one time such that the Shares to be delivered on conversion are to be registered in the same name, the number of such Shares to be delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Convertible Bonds being so converted and rounded down to the nearest whole of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after the Issue Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Convertible Bonds pay in cash a sum equal to such portion of the principal amount of the Convertible Bond or Convertible Bonds evidenced by the Certificate deposited in connection with the

exercise of Conversion Rights as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds S\$1 0.00. Any such sum shall be paid in Singapore not later than five (5) Business Days after the relevant Conversion Date by means of a Singapore dollar cheque drawn on, or by a transfer to a Singapore dollar account maintained by the payee with, a bank in Singapore, in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice (as defined below).

- (iv) Conversion Price: The price at which Shares will be issued upon conversion, as adjusted from time to time (the "**Conversion Price**") will initially be S\$0.065 per Share but will be subject to adjustment in the manner provided in Condition 5(C).
- (v) Revival and/or Survival after Default: Notwithstanding the provisions of Condition 5(A)(i), if (a) the Issuer shall default in making payment in full in respect of any Convertible Bond which shall have been called for redemption on the date fixed for redemption thereof, (b) any Convertible Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events under Condition 9 or (c) any Convertible Bond is not redeemed on the Maturity Date in accordance with Condition 7(A), the Conversion Right attaching to such Convertible Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Convertible Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Convertible Bond has been duly received by the Principal Agent or the Trustee and, notwithstanding the provisions of Condition 5(A)(i), any Convertible Bond in respect of which the Conversion Notice (as defined below) are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined below) notwithstanding that the full amount of the moneys payable in respect of such Convertible Bond shall have been received by the Bondholders before such Conversion Date or that the Conversion Period, provided that the moneys so received by the Bondholders must in that event be as soon as practicable payable to the Issuer to the extent of the Convertible Bonds so converted.
- (vi) Meaning of "Shares": As used in these Conditions, the expression "**Shares**" means ordinary shares of the Issuer or ordinary shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer and "**Shareholders**" means the holders of such Shares.

(B) Conversion Procedure

- (i) Conversion Notice: To exercise the Conversion Right attaching to any Convertible Bond, the holder thereof must deposit at his own expense with the Conversion Agent during normal business hours (being between 9 a.m. to 3 p.m.) on any Business Day (local time in the place of deposit):

- (a) in the case of Convertible Bonds represented by the Global Certificate, by facsimile transmission or electronic transmission, a duly completed and signed notice of conversion (a “**Conversion Notice**”) substantially in the form for the time being current and obtainable from the Conversion Agent and including the certification to be given by a converting Bondholder in section 5 of the Conversion Notice; or
- (b) in the case of Convertible Bonds represented by Definitive Certificates, by physically depositing a duly completed and signed Conversion Notice (in duplicate) substantially in the form for the time being current and obtainable from the Conversion Agent and including the certification to be given by a converting Bondholder, together with the relevant Certificate.

Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located. Each Conversion Agent shall be entitled to assume, without duty to enquire, that each converting Bondholder has, as a condition precedent to exercising its Conversion Right, paid all stamp, issue, registration, and similar taxes or duties or transfer costs (if any) (other than any amounts payable by the Issuer in accordance with the Conditions) which it is required to pay in accordance with the Conditions and shall have no responsibility whatsoever to the Issuer or any Bondholder or any other person resulting from any such failure or omission.

The Issuer, or the Conversion Agent on its behalf, may reject any Conversion Notice which is, in its opinion, incorrect or incomplete in any material respect and such decision shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Conversion Agent and the relevant Bondholder.

The conversion date in respect of a Convertible Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Convertible Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 5(A)(v) above) and will be deemed to be the day of exercise of the Conversion Right in accordance with Condition 5(A)(ii), and surrender of the Certificate in respect of such Convertible Bond and, if applicable, evidence of any payment to be made under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal. “**Stock Exchange Business Day**” means any day (other than a Saturday, Sunday or gazetted public holiday) on which the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) is open for the business of dealing in securities.

Subject to the requirements of CDP, the Conversion Right attaching to a Convertible Bond represented by the Global Certificate may be exercised by the presentation to or to the order of a Conversion Agent of one or more Conversion Notices duly completed by or on

behalf of each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of Convertible Bonds (each an “**Accountholder**”). Deposit of the Global Certificate with the Conversion Agent (or any other conversion agent from time to time) shall not be required together with the deposit of the relevant Conversion Notice. In such a case, the delivery of the Conversion Notice in respect of the Convertible Bonds to be converted will constitute or be deemed to constitute confirmation by the relevant Accountholder that the information and representations in the Conversion Notice are true and accurate on the date of delivery.

Any exercise of the Conversion Right attaching to a Convertible Bond represented by the Global Certificate shall be further conditional on that principal amount of Convertible Bonds so exercised being available in the “Free Balance” of the securities account(s) of the exercising Bondholder with CDP until the relevant Conversion Date and on the exercising Bondholder electing in the Conversion Notice to have the delivery of the Shares allotted and issued on conversion of the relevant Convertible Bonds to be effected by crediting such Shares to the securities account(s) of the exercising Bondholder or as it may direct, failing which the Conversion Notice shall be void and all rights of the exercising Bondholder and of any other person thereunder shall cease.

(ii) Stamp Duty: The Issuer shall pay any taxes and capital, stamp, issue and registration duties arising on conversion, allotment and issue of Shares and listing of the Shares on conversion (the “**Taxes**”) and the Bondholder delivering the Conversion Notice (and, if applicable, the person other than the Bondholder to whom the Shares are to be issued) must pay directly to the relevant authorities all, if any, taxes arising by reference to any disposal or deemed disposal of a Convertible Bond in connection with such conversion. The Trustee and the Agents shall not be responsible or liable for determining whether any such taxes or capital, stamp, issue, registration and transfer taxes and duties are payable or the amount thereof and it shall not be responsible or liable in any way to anyone for any failure or omission by any Bondholder to pay such taxes or capital, stamp, issue, registration and transfer taxes and duties or the sufficiency or insufficiency of any amounts paid by the Bondholders for this purpose.

(iii) Registration:

(1) As soon as practicable, and in any event not later than 15 Stock Exchange Business Days after the Conversion Date (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations or the requirements of CDP), the Issuer will, in the case of Convertible Bonds converted on exercise of the Conversion Right and in respect of which a duly completed Conversion Notice and the relevant Certificate (if applicable) have been delivered, procure that the relevant number of Shares are allotted to and registered in the name of CDP for credit to the securities account designated for the purpose in the Conversion Notice for so long as the Shares are listed on the SGX-ST; or if the Shares are not listed on the SGX-ST, register the person or

persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Issuer's share register and make such certificate or certificates available for collection at the office of the Issuer's share registrar in Singapore or, if so requested in the relevant Conversion Notice, will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Conversion Notice, together (in either case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof, in which case a single share certificate will be issued in respect of all Shares issued on conversion of Convertible Bonds subject to the same Conversion Notice and which are to be registered in the same name.

- (2) If the Conversion Date in relation to any Convertible Bond shall be on or after a date with effect from which an adjustment to the Conversion Price takes retroactive effect pursuant to any of the provisions referred to in Condition 5(C) and the relevant Registration Date (as defined below) falls on a date when the relevant adjustment has not yet been reflected in the then current Conversion Price (such adjustment, a "**Retroactive Adjustment**"), the provisions of this Condition shall be applied mutatis mutandis to such number of Shares as is equal to the excess of the number of Shares which would have been required to be issued on conversion of such Convertible Bond if the relevant Retroactive Adjustment had been effected as at the said Registration Date over the number of Shares previously issued (or which the Issuer was previously bound to issue) pursuant to such conversion.
- (3) The person or persons designated in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date the relevant Shares are credited to their respective accounts with CDP or he is or they are registered as such in the Issuer's register of members (the "**Registration Date**"). The Shares issued upon conversion of the Convertible Bonds will be fully paid and rank *pari passu* in all respects with the Shares in issue on the relevant Registration Date. Save as set out in these Conditions, a holder of Shares issued on conversion of the Convertible Bonds shall not be entitled to any dividends, rights, allotments or other distributions, the record date for which precedes the relevant Registration Date. Convertible Bonds which are duly converted will be cancelled by the removal of the Bondholder's name from the Register in respect of such Convertible Bonds on the relevant Registration Date.
- (4) If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date in respect of any Convertible Bond, but before the Registration Date (disregarding any Retroactive Adjustment referred to above prior to

the time such Retroactive Adjustment shall have become effective), the Issuer will calculate and pay to the converting Bondholder or his designee an amount in Singapore dollars (the “**Equivalent Amount**”) equal to any such dividend or other distribution to which he would have been entitled had he on that record date been such a shareholder of record and will make the payment at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than seven (7) days thereafter. The Equivalent Amount shall be paid by means of a Singapore dollar cheque drawn on, or by transfer to a Singapore dollar account maintained by the payee with, a bank in Singapore, in accordance with instructions given by the relevant Conversion Notice.

(C) Conversion Adjustment

The Conversion Price will be subject to adjustment in the following events as set out in the Trust Deed (save and except that no adjustments will be made to the Conversion Price by virtue of the issue of any further Convertible Bonds):

(1) Consolidation, Subdivision or Re-classification:

If and whenever there shall be an alteration to the number of issued Shares as a result of consolidation, subdivision or re-classification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$A / B$$

where:

A = is the aggregate number of issued Shares immediately before such alteration; and

B = is the aggregate number of issued Shares immediately after such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

(2) Capitalisation of Profits or Reserves:

(i) If and whenever the Issuer shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves including Shares paid up out of distributable profits or reserves or bonus issue of Shares (except any Scrip Dividend (as defined below)) and which would not have constituted a Capital Distribution (as defined below), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$A / B$$

where:

A = is the aggregate number of issued Shares immediately before such issue; and

B = is the aggregate number of issued Shares immediately after such issue.

- (ii) In the case of an issue of Shares by way of a Scrip Dividend where the Current Market Price (as defined below) of such Shares exceeds the amount of Relevant Cash Dividend (as defined below) or the relevant part thereof and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the aggregate number of issued Shares immediately before such issue;

B = is the aggregate number of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is the Current Market Price of the Shares; and

C = is the aggregate number of Shares issued by way of such Scrip Dividend.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(3) Capital Distributions:

If and whenever the Issuer shall pay or make any Capital Distribution to the Shareholders (except to the extent that the Conversion Price falls to be adjusted under Condition 5(C)(2) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$(A - B) / A$$

where:

A = is the Current Market Price of one (1) Share on the last Trading Day preceding the date on which the Capital Distribution is publicly announced; and

B = is the Fair Market Value on the date of such announcement of the portion of the Capital Distribution attributable to one (1) Share, determined by dividing the Fair Value of the aggregate Capital Distribution by the number of Shares entitled to receive the Capital Distribution.

Such adjustment shall become effective on the date that such Capital Distribution is actually made or if a record date is fixed therefor, immediately after such record date.

(4) Rights Issues of Shares or Options over Shares:

If and whenever the Issuer shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at less than the Current Market Price per Share on the last Trading Day preceding the date of the announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the number of Shares in issue immediately before such announcement;

B = is the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and

C = is the aggregate number of Shares issued or, as the case may be, comprised in the grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) in respect of the securities or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(5) Rights Issues of Other Securities:

If and whenever the Issuer shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$(A - B) / A$$

where:

A = is the Current Market Price of one (1) Share on the last Trading Day preceding the date on which such issue or grant is publicly announced; and

B = is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one (1) Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be, on the Relevant Stock Exchange.

(6) Issues at less than Current Market Price:

If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 5(C)(4) above) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for Shares) or issue or grant (otherwise than as mentioned in Condition 5(C)(4) above) options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, in each case at a price per Share which is less than the Current Market Price on the last Trading Day preceding the date of announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$(A + B) / C$$

where:

A = is the number of Shares in issue immediately before the issue of such additional Shares or the issue or grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares;

B = is the number of Shares which the aggregate consideration (if any) receivable for the issue of such additional Shares at such Current Market Price; and

C = is the number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue by the Issuer of options, warrants or other rights to subscribe or purchase Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price (if applicable) on the date of issue of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the grant of such options, warrants or other rights.

(7) Other Issues at less than Current Market Price:

Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this Condition 5(C)(7), if and whenever the Issuer or any of its Subsidiaries (otherwise than as mentioned in Condition 5(C)(4), Condition 5(C)(5) or Condition 5(C)(6)), or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries), any other company, person or entity shall issue wholly for cash any securities (other than the Convertible Bonds excluding for this purpose any further Convertible Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be delivered by the Issuer upon conversion, exchange or subscription at a consideration per Share which is

less than the Current Market Price on the last Trading Day preceding the date of announcement of the terms of issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion price in force immediately before such issue by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the number of Shares in issue immediately before such issue;

B = is the number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price; and

C = is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue of such securities.

(8) Modification of Rights of Conversion, other offers to Shareholders and other events:

If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in Condition 5(C)(7) (other than in accordance with the terms of such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than the Current Market Price on the last Trading Day preceding the date of announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the number of Shares in issue immediately before such modification;

B = is the number of Shares which the aggregate consideration (if any) receivable by the Issuer for the Shares to be issued, or otherwise made available, on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price or, if lower, the existing conversion, exchange or subscription price of such securities; and

C = is the maximum number of Shares to be issued, or otherwise made available, on conversion or exchange of such securities or on the exercise of the right of subscription attached thereto at the modified conversion, exchange or subscription or purchase price or rate but giving credit in such manner as an Independent Investment Bank (as defined below)

considers appropriate (if at all) for any previous adjustment under this Condition 5(C)(8) or Condition 5(C)(7).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(9) Other Offers to Shareholders:

The issue, sale or distribution by or on behalf of the Issuer or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity of any securities in connection with an offer by or on behalf of the Issuer or any of its Subsidiaries or such other company, person or entity pursuant to which offer the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Condition 5(C)(4), Condition 5(C)(5), Condition 5(C)(6) or Condition 5(C)(7)) above.

In such an event, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$(A - B) / A$$

where:

A = is the Current Market Price of one (1) Share on the last Trading Day preceding the date on which such issue, sale or distribution is publicly announced; and

B = is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one (1) Share.

Such adjustment shall become effective on the date of issue, sale or distribution of the securities.

(10) Determination by the Issuer:

If the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances (whether or not referred to in Conditions 5(C)(1) to (9) above (even if the relevant event or circumstance is specifically excluded in these Conditions from the operation of Conditions 5(C)(1) to (9) above), or that an adjustment should not be made (even if the relevant event or circumstance is specifically provided for in paragraphs (1) to (9) above), or that the effective date for the relevant adjustment should be a date other than that mentioned in Conditions 5(C)(1) to (9) above), the Issuer shall at its own expense request an Independent Investment Bank to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable and the date on which such adjustment should take effect and upon such determination (if any) shall be made and shall take effect in accordance with such determination, in each case, so as to restore the economic position of the Bondholders, after the occurrence of such events or circumstances, to the same position as if the diluting effect of such events or circumstances had not occurred in order to give effect to the intended results of such adjustment; PROVIDED THAT where the events or circumstances giving rise to any adjustment pursuant to this Condition 5(C) have already resulted or will result in an adjustment to the

Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 5(C) as may be advised by the Independent Investment Bank to be in its opinion appropriate to determine whether the adjustment (or modification or variation, if any) is fair and reasonable to restore the economic position of the Bondholders, after the occurrence of such events or circumstances, to the same position as if the diluting effect of such events or circumstances had not occurred in order to give the intended result.

For the purposes of these Conditions:

“Business Day” means, in respect of each Convertible Bond, (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which the CDP is operating and (ii) (if a payment is to be made on that day) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for general business in Singapore.

“Capital Distribution” means: (i) any distribution of cash or assets *in specie* by the Issuer for any financial period whenever paid or made and however described and whether payable out of profits or reserves (and for these purposes a distribution of assets *in specie* includes without limitation an issue of Shares or other securities credited as fully or partly paid (other than Shares credited as fully paid by way of capitalisation of reserves)); and (ii) any dividend (including any cash or Scrip Dividend) or distribution of any kind by the Issuer for any financial period (whenever paid and however described).

“Closing Price” for the Shares for any Trading Day shall be the average closing market price quoted by the SGX-ST for the previous Trading Day.

“Current Market Price” means, in respect of a Share at a particular time on a particular date, the average of the Closing Prices for one (1) Share (being a Share carrying full entitlement to dividend) for the twenty (20) consecutive Trading Days ending on the Trading Day immediately preceding such date; provided that if at any time during the said twenty (20) Trading Day period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:

- (i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend per Share; or
- (ii) if the Shares to be issued in such circumstances rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by such similar amount,

and provided further that if the Shares on each of the said twenty (20) Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be

the amount thereof reduced by an amount equal to the amount of that dividend per Share.

“Fair Market Value” means, with respect to any assets, security, option, warrants or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Independent Investment Bank, acting as an expert, provided that (i) the fair market value of a cash dividend paid or to be paid per Share shall be the amount of such cash dividend per Share determined as at the date of announcement of such dividend; (ii) the fair market value of any other cash amount shall be the amount of such cash; (iii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Independent Investment Bank) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five (5) Trading Days on the relevant market commencing on such date (or, if later, the first such Trading Day such options, warrants or other rights are publicly traded) or such shorter period as such options, warrants or other rights are publicly traded; and (iv) where options, warrants or other rights are not publicly traded (as aforesaid), the Fair Market Value of such options, warrants or other rights shall be determined in good faith by an Independent Investment Bank, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of an Share, the volatility of such market price, prevailing interest rates and the terms of such options, warrants or other rights, including as to the expiry date and exercise price (if any) thereof.

“Independent Investment Bank” means an independent investment bank of international repute (acting as an expert) selected by the Issuer and notified to the Trustee.

“Relevant Cash Dividend” means any cash dividend per Share specifically declared by the Issuer.

“Relevant Stock Exchange” means at any time, in respect of the Shares, the SGX-ST.

“Scrip Dividend” means any Shares issued in lieu of the whole or any part of any Relevant Cash Dividend being a dividend which the Shareholders concerned would or could otherwise have received.

“S\$” and **“Singapore dollars”** mean the lawful currency of Singapore.

“Trading Day” means a day when the SGX-ST is open for dealing business, provided that if no Closing Price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days.

“%” means per centum.

(D) Adjustment provisions

On any adjustment, the relevant Conversion Price, if not an integral multiple of one (1) S\$ cent, shall be rounded down to the nearest S\$ cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. (1%) of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has not been rounded down, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given to Bondholders in accordance with Condition 13 as soon as practicable after the determination hereof.

Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of an Independent Investment Bank, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Investment Bank to be in their opinion appropriate in order to give such intended result.

No adjustment shall be made to the Conversion Price where Shares or other securities including rights, warrants or options are issued, offered, exercised, allotted, appropriated, modified or granted to or for the benefit of employees, officers, former employees or officers (including directors holding or formerly holding executive office) of the Issuer, any of its Subsidiaries or any of its associated company pursuant to any employees' share scheme or plan (including a dividend reinvestment plan) provided that (i) such scheme or plan is in compliance with the listing rules of the SGX-ST, (ii) the total number of Shares that are issued by the Issuer pursuant to such scheme or plan during the 12-month period up to and including the date of such issue of Shares, in aggregate, shall not exceed more than 2% of the average of the issued and outstanding Shares during such 12-month period and (iii) the exercise price of any options granted under such scheme or plan shall not be lower than the minimum exercise price as permitted under the listing rules of SGX-ST from time to time.

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares as referred to in Condition 5(C)(1) above or where there has been a proven manifest error in the calculation of the Conversion Price.

In the event a takeover offer (including by way of a scheme of arrangement or amalgamation) is made for the Issuer, the Bondholders shall be entitled to participate in any such takeover offer to the extent so provided in the terms of the takeover offer and in accordance with applicable law governing the terms of the takeover offer.

In making any calculation for the purpose of this Condition 5(C), such adjustments (if any) shall be made as an Independent Investment Bank may consider appropriate to reflect (1) any consolidation or subdivision of the Shares, (2) issues of Shares by way of capitalisation of profits or reserves, or any like or similar event or (3) the modification of any rights to dividends of Shares.

(E) Undertaking

The Issuer has undertaken in the Trust Deed, inter alia, that so long as any Convertible Bond remains outstanding, save with the approval of an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders:

- (i) it will use reasonable endeavours (a) to maintain a listing for all the issued Shares on the SGX-ST, and (b) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Convertible Bonds on the SGX-ST;
- (ii) it will use best endeavours to list and maintain a listing for all the Convertible Bonds on the SGX-ST;
- (iii) it will pay the expenses of the issue of, and all expenses of obtaining listing for, Shares arising on conversion of the Convertible Bonds; and
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or capital redemption reserve fund except, in each case, where the reduction is permitted by applicable law.

In the Trust Deed, the Issuer has also undertaken with the Trustee that so long as any Convertible Bond remains outstanding it will ensure that all Shares delivered on conversion of the Convertible Bonds will be duly and validly issued as fully-paid, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by applicable law and regulations.

The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

(F) Notice of Change in Conversion Price

The Issuer shall give notice to the Trustee, the Agents and the Bondholders in accordance with Condition 13 of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

(G) No Duty to Monitor and No Obligation for Issuer's Failure

Neither the Trustee nor the Agents shall be under any duty or obligation to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price and will not be responsible or liable to the Bondholders for any loss arising from any failure by it to do so, nor shall the Trustee or the Agents be responsible or liable in any way to any person for any determination of whether or not an adjustment to the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment or for any delay of the Issuer or the Independent Investment Bank in making such determination or calculation of any such adjustment or any erroneous determination by the Issuer or the Independent Investment Bank. In addition, none of the Trustee and the Agents shall be under any duty or obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Convertible Bonds or the method used in such determination.

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

6. PAYMENTS

(A) Principal and Interest

- (i) All payments in respect of the Convertible Bonds will be made by transfer to the registered account of the Bondholder. In the event that a Bondholder does not have a registered account, the Issuer will make such payments by Singapore dollar cheque drawn on a bank in Singapore mailed to the registered address of the Bondholder.
- (ii) Payment of principal will only be made after surrender of the relevant Certificate at the specified office of any of the Paying Agents.
- (iii) Interest on the Convertible Bonds shall be paid to the person shown on the Register at the close of business on the fifth (5th) Business Day before the due date for payment thereof (the “**Interest Record Date**”).

(B) Registered Accounts

For the purposes of this Condition, a Bondholder’s registered account means the Singapore dollar account maintained by or on behalf of it with a bank in Singapore, details of which appear on the Register at the close of business on the fifth (5th) Business Day before the due date for payment, and a Bondholder’s registered address means its address appearing on the Register at that time.

(C) Payments subject to law

All payments are subject in all cases to any applicable law in the place of payment. No commission or expense shall be charged to the Bondholders in respect of such payments.

(D) Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Business Day, for value on the first following day which is a Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed by the Issuer (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a Business Day, the immediately following Business Day) or, in the case of a payment of principal, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of a Paying Agent.

(E) Non-Business Days

If any date for the payment in respect of any Convertible Bond is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such delay.

(F) Delay in Payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Convertible Bond if the due

date is not a Business Day, if the Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed by the Issuer in accordance with this Condition 6 arrives after the due date for payment.

7. REDEMPTION, PURCHASE AND CANCELLATION

(A) Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem each Convertible Bond at 100% of its principal amount, together with unpaid accrued interest thereon, on the day falling on the fifth anniversary of the date of issue of the Convertible Bonds (the "**Maturity Date**").

(B) Purchases

The Issuer and/or any of its Subsidiaries may at any time purchase Convertible Bonds at any price in the open market or otherwise. Such Convertible Bonds may, at the option of the Issuer or the relevant Subsidiary, be held, resold or surrendered for cancellation. The Convertible Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to exercise any Conversion Right nor exercise any voting rights with respect to such Convertible Bonds.

(C) Cancellation

All Convertible Bonds which are redeemed or converted by the Issuer or any of its Subsidiaries will forthwith be cancelled. Certificates in respect of all Convertible Bonds cancelled will be forwarded to or to the order of the Registrar and such Convertible Bonds may not be reissued or resold.

(D) Redemption for Taxation Reasons

The Convertible Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than thirty (30) nor more than sixty (60) days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 13 (which notice shall be irrevocable) at the 100% of the Convertible Bonds' principal amount (the "**Tax Redemption Amount**"), in each case, together with accrued but unpaid interest (calculated up to, but excluding the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts (as defined herein) as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of issue of the Convertible Bonds, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. Prior to the publication of any Tax Redemption Notice pursuant to this paragraph, the Issuer shall deliver to the Trustee (a) a certificate signed by two (2) directors of the

Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and (b) an opinion of independent legal or tax advisers of recognised standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective). The Trustee shall be entitled to accept such certificate and opinion without further enquiry as sufficient evidence thereof in which event it shall be conclusive and binding on the Bondholders. Upon the expiry of the Tax Redemption Notice, the Issuer will be bound to redeem the Bonds at the Tax Redemption Amount, in each case, together with accrued but unpaid interest (calculated up to, but excluding, the date fixed for such redemption) (the “**Tax Redemption Date**”).

8. TAXATION

All payments (including of principal and interest) by or on behalf of the Issuer in respect of the Convertible Bonds shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law (the “**Additional Tax Amounts**”). In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Bondholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Convertible Bond presented (or in respect of which the Certificate representing it is presented) for payment:

- (i) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Convertible Bond or the receipt of any sums due in respect of such Convertible Bond (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore);
- (ii) more than thirty (30) days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of thirty (30) days; or
- (iii) by or on behalf of a holder who could be able to lawfully avoid such deduction or withholding by providing a declaration or any other statement including, but not limited to, a relevant certificate of residence to the Issuer upon the Issuer’s request but fails to do so.

As used in these Conditions, “**Relevant Date**” in respect of any Convertible Bond means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made.

9. EVENTS OF DEFAULT

(A) Events of Default

If any of the following events (“**Events of Default**”) occurs the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. (25%) in principal amount of the Convertible Bonds then outstanding or if so directed by an Extraordinary

Resolution (subject in each case to being first indemnified, secured and/or pre-funded to its satisfaction) shall give notice to the Issuer that the Convertible Bonds are immediately due and payable at 100% of their principal amount plus unpaid accrued interest (subject as provided below and without prejudice to the right of the Bondholders to exercise the Conversion Right in respect of their Convertible Bonds in accordance with Condition 5) if any of the following events has occurred:

- (i) the Issuer does not pay any amount of principal in respect of the Convertible Bonds on the due date for payment thereof;
- (ii) the Issuer does not pay any amount of interest in respect of the Convertible Bonds when due and such default continues for not less than ten (10) Business Days;
- (iii) any failure by the Issuer to deliver Shares as and when the Shares are required to be delivered following conversion of Convertible Bonds and such failure continues for not less than ten (10) Business Days provided that such failure is not due to a technical or administrative error;
- (iv) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraphs (i) and (ii) and the obligation to deliver Shares referred to in paragraph (iii)) under the Trust Deed or the Convertible Bonds and, if that default is capable of remedy, it is not remedied within thirty (30) days of its occurrence;
- (v) any representation or warranty by the Issuer in the Trust Deed or the Convertible Bonds or in any document delivered under the Trust Deed or the Convertible Bonds is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and if the event resulting in such non-compliance is capable of remedy, it is not remedied within thirty (30) days of its occurrence;
- (vi) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries in respect of borrowed moneys is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or, as the case may be, within any applicable grace period in any agreement relating to that indebtedness or seven (7) Business Days of its due date, whichever is later; or the Issuer or any of its Principal Subsidiaries fails to pay when properly called upon to do so or within seven (7) Business Days of the due date, whichever is later, any present or future guarantee of indebtedness for borrowed moneys, provided however that no Event of Default will occur under this paragraph (vi) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned in this paragraph (vi) has or have occurred exceeds S\$15,000,000 or its equivalent in other currency or currencies;
- (vii) the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins

- negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Issuer;
- (viii) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within sixty (60) days;
 - (ix) any security on or over all or a material part of the assets of the Issuer or any of its Principal Subsidiaries becomes enforceable;
 - (x) any voluntary step is taken by the Issuer or any of its Principal Subsidiaries, or the commencement of legal proceedings by a person other than the Issuer, with a view to the winding-up of the Issuer (except for the purpose of and followed by a reconstruction, amalgamation, re-organisation, merger, consolidation or transfer of assets to its Subsidiary and such event does not or is not likely to have a material adverse effect on the Issuer) or the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer (except for the purpose of and followed by a reconstruction, amalgamation, re-organisation, merger, consolidation or transfer of assets to its Subsidiary) or any of its Principal Subsidiaries or over any part of the assets of the Issuer or any of its Principal Subsidiaries;
 - (xi) save as previously announced on the website of the SGX-ST at <http://www.sgx.com> by the Issuer, the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or any material part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole of its property or assets (in each case, otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or transfer of assets as is referred to in the parenthesis in paragraph (x) above);
 - (xii) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done in order (i) to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the Trust Deed and the Convertible Bonds, (ii) to ensure that those obligations are valid, legally binding and enforceable, (iii) to ensure that those obligations rank and will at all times rank in accordance with Condition 3 or (iv) to make the Trust Deed and the Convertible Bonds admissible in evidence in the courts of Singapore is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);

- (xiii) it is or will become unlawful for the Issuer to perform or comply with any one or more of its payment or other material obligations under the Trust Deed or the Convertible Bonds;
- (xiv) the Trust Deed or the Convertible Bonds ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;
- (xv) any litigation, arbitration or administrative proceeding is current or pending (other than those of a frivolous or vexatious nature) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under the Trust Deed, the Agency Agreement or the Convertible Bonds or (ii) which has or is reasonably likely to have a material adverse effect on the Issuer's ability to perform or comply with its obligations under the Trust Deed or the Convertible Bonds;
- (xvi) any governmental authority or agency or court seizes, compulsorily acquires, expropriates or nationalises all or a material part of the assets of the Issuer or any of its Principal Subsidiaries;
- (xvii) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (vii), (viii), (ix), (x) or (xvi); and
- (xviii) the Issuer or any of its Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part 9 of the Companies Act, 1967 of Singapore or is subject to any analogous provisions in the relevant jurisdictions.

For the purposes of this Condition 9, "**Principal Subsidiaries**" and each a "Principal Subsidiary" shall mean means any Subsidiary of the Issuer:-

- (aa) whose total assets, as shown by the accounts of such Subsidiary (consolidated in the case of a company which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 20 per cent. of the total assets of the Group as shown by such audited consolidated accounts; or
- (bb) whose turnover, as shown by the accounts of such Subsidiary (consolidated in the case of a company which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 20 per cent. of the consolidated turnover of the Group as shown by such audited consolidated accounts, provided that if any such Subsidiary (the "**transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Subsidiary or the Issuer (the "**transferee**") then:
 - (l) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and

- (II) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary.

Any Subsidiary which becomes a Principal Subsidiary by virtue of (I) above or which remains or becomes a Principal Subsidiary by virtue of (II) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets or (as the case may be) turnover as shown by the accounts of such Subsidiary (consolidated (if any) in the case of a company which itself has Subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 20 per cent. of the total assets or, as the case may be, the consolidated turnover of the Group, as shown by such audited consolidated accounts.

A report by the Issuer's auditors, who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive.

(B) Conversion during an Event of Default

Notwithstanding receipt of any payment after the acceleration of the Convertible Bonds, a Bondholder may exercise its Conversion Right by depositing a Conversion Notice with the Issuer during the period from and including the date of a default notice with respect to an event specified in Condition 9(A) (at which time the Issuer will notify the Bondholders of the number of Shares per Convertible Bond to be delivered upon conversion, assuming all the then outstanding Convertible Bonds are converted) to and including the 30th Business Day after such payment.

If any converting Bondholder deposits a Conversion Notice pursuant to this Condition 9(B) on the Business Day prior to, or during, a Closed Period, the Bondholder's Conversion Right shall continue until the Business Day following the last day of such Closed Period, which shall be deemed the Conversion Date, for the purposes of such Bondholder's exercise of its Conversion Right pursuant to this Condition 9(B).

If the Conversion Right attached to any Convertible Bond is exercised pursuant to this Condition 9(B), the Issuer will deliver Shares (which number will be disclosed to such Bondholder as soon as practicable after the Conversion Notice is given) in accordance with the Conditions provided that the moneys so received by the Bondholders following acceleration must be in that event be as soon as practicable payable to the Issuer to the extent of the Convertible Bonds so converted.

For the avoidance of doubt, a Bondholder's Conversion Right can be exercised pursuant to this Condition 9(B) only after the occurrence of an event specified in Condition 9(A).

10. PRESCRIPTION

Claims in respect of amounts due in respect of the Convertible Bonds will become void unless made within three years (3) from the appropriate Relevant Date for payment.

11. MEETING OF BONDHOLDERS, MODIFICATION AND WAIVER

(A) Meetings

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Convertible Bonds (including these Conditions insofar as the same may apply to such Convertible Bonds) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Bondholders holding not less than 10% of the principal amount of the Convertible Bonds for the time being outstanding, and after being first indemnified, secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Bondholders. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Bondholders, whether present or not, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Convertible Bonds or any date for payment of principal or interest on the Convertible Bonds, (b) to reduce or cancel the principal amount of, or any interest payable on redemption of, the Convertible Bonds, (c) to reduce the Interest Rate in respect of the Convertible Bonds or to vary the method or basis of calculating the Interest Rate or the basis for calculating any amount of interest in respect of the Convertible Bonds, (d) to vary any method of, or basis for, calculating the amounts in the nature of principal payable pursuant to Condition 6, (e) to vary the currency or currencies of payment or denomination of the Convertible Bonds, (f) to take any steps that may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify (except by a unilateral and unconditional reduction in the Conversion Price) or cancel the Conversion Rights in Condition 5, or (h) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass the Extraordinary Resolution or to sign a resolution in writing, will only be binding if passed at a meeting of the Bondholders (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of holders of not less than 75% of the aggregate principal amount of the Convertible Bonds outstanding shall for all purposes be as valid as an Extraordinary Resolution. Such resolution in writing may be in one document or several documents in like form each signed by or on behalf of one or more of the Bondholders.

(B) Modification and Waiver

The Trustee may at any time or times without any consent or sanction of the Bondholders concur with the Issuer in making any modification in writing (i) to the Convertible Bonds, the Trust Deed or the Agency Agreement (except as mentioned in Condition 11(A) above) which in the opinion of the Trustee it may be expedient to make, provided that the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Bondholders or (ii) to the Convertible

Bonds, the Trust Deed or the Agency Agreement (including as mentioned in Condition 11(A) above) which, in the Trustee's opinion, is of a formal, minor or technical nature, or to correct a manifest error or an error which is, in the opinion of the Trustee, proven, or to comply with mandatory provisions of Singapore law or is required by CDP.

The Trustee may (but shall not be obliged to), without the consent of the Bondholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Bondholders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by the Issuer of any provisions of the Issue Documents, the Convertible Bonds or these Conditions or determine on such terms and conditions as may seem expedient to it that an Event of Default or Potential Event of Default will not be treated as such for the purposes of the Trust Deed, provided that the Trustee will not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Condition 9(A), but no such direction or request will affect a waiver, authorisation or determination previously given or made by the Trustee.

Any such modification, waiver, authorisation or determination shall be binding on all Bondholders and, unless the Trustee agrees otherwise, any such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders in accordance with Condition 13 as soon as practicable thereafter.

Any material modification to the terms of the Convertible Bonds after the issue thereof which is to the benefit of the Bondholders must be approved by the Shareholders of the Issuer at a general meeting of the Shareholders except where such modification is made pursuant to the terms of the Convertible Bonds.

12. REPLACEMENT OF CERTIFICATES

If a Convertible Bond or Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable law and stock exchange or other relevant authority regulations, at the specified office of the Registrar, or at the specified office of such other Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Bondholders in accordance with Condition 13, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Convertible Bond, or Certificate is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Convertible Bond or Certificate) and otherwise as the Issuer may require. Mutilated or defaced Convertible Bonds or Certificates must be surrendered before replacements will be issued.

13. NOTICES

Notices to Bondholders will be valid if either (i) for so long as the Issuer is or the Convertible Bonds are listed on the SGX-ST, published on the website of the SGX-ST at <http://www.sgx.com> or (ii) published in a leading English language newspaper having general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

Until such time as any Definitive Certificates are issued, so long as the Global Certificate is issued in the name of CDP, notices to Bondholders will only be valid if despatched by uninsured post to persons who are for the time being shown in the records of CDP as the holders of the Convertible Bonds or, if the rules of CDP so permit, delivered to CDP for communication by it to the Bondholders, except that if the Convertible Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, notice will in any event be considered valid if published in accordance with the preceding paragraph. Any such notice shall be deemed to have been given to the Bondholders on the seventh (7th) day after the day on which the said notice was given to CDP.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Bondholders are known to the Issuer, notices to such Bondholders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

Notwithstanding the other provisions of this Condition, if the requirements or rules from time to time prescribed by the SGX-ST require announcements and notices to Bondholders, including but not limited to notifying them of the final Conversion Date and the expiry date of the Convertible Bonds at least one month prior to the final Conversion Date to be sent via despatch by post (or such other method prescribed by the SGX-ST), such announcement shall be made and such notice shall be given and shall be valid if sent via despatch by post (or such other method prescribed by the SGX-ST).

14. INDEMNIFICATION OF TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee, Agents and Registrar and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking action to convene meetings unless first fully indemnified, secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee or any corporation related to it to enter into business transactions with the Issuer or any of its Subsidiaries without accounting to the Bondholders for any profit resulting from such transactions.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, and none of the Trustee, Agents or Registrar shall at any time have any responsibility for the same and each Bondholder shall not rely on the Trustee, Agents and Registrar in respect thereof.

15. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001 OF SINGAPORE

The Contracts (Rights of Third Parties) Act 2001 of Singapore shall not under any circumstances apply to these Conditions and any person who is not a party to these Conditions (whether or not such person shall be named, referred to, or otherwise identified, or form part of a class of persons so named, referred to or identified, in these Conditions), other than a Bondholder, shall have no right whatsoever under the said Act to enforce these Conditions or any of its terms.

16. GOVERNING LAW AND SUBMISSION TO JURISDICTION

The Convertible Bonds are governed by, and shall be construed in accordance with, the laws of Singapore.

The courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed and any Convertible Bonds and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or the Convertible Bonds ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.