

VOLUNTARY CONDITIONAL CASH OFFER

by



UNITED OVERSEAS BANK LIMITED

(Company Registration No.: 193500026Z)
(Incorporated in the Republic of Singapore)

for and on behalf of

HANWHA OCEAN SG HOLDINGS PTE. LTD.

(Company Registration No.: 202424953M)
(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

DYNA-MAC HOLDINGS LTD.

(Company Registration No.: 200305693E)
(Incorporated in the Republic of Singapore)

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

OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 **The Offer.** United Overseas Bank Limited ("**UOB**") wishes to announce, for and on behalf of Hanwha Ocean SG Holdings Pte. Ltd. (the "**Offeror**"), that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of Dyna-Mac Holdings Ltd. (the "**Company**") other than those already owned, controlled or agreed to be acquired by the Offeror (the "**Offer Shares**") in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**").

The Offeror was incorporated for the purposes of making the Offer and its shareholders are Hanwha Aerospace Co., Ltd. ("**Hanwha Aerospace**") and Hanwha Ocean Co., Ltd. ("**Hanwha Ocean**"). Further information on the Offeror, Hanwha Aerospace and Hanwha Ocean is set out in paragraph 5 of this Announcement.

- 1.2 **Aggregate Holding.** As at the date of this Announcement (the "**Offer Announcement Date**"), the Offeror does not own or control, directly or indirectly, any Shares. However, as at the Offer Announcement Date, Hanwha Aerospace and Hanwha Ocean own an aggregate of

282,859,400 Shares (representing approximately 25.36% of the total number of issued Shares¹) as follows:

- (a) Hanwha Aerospace owns 41,429,700 Shares, representing approximately 3.71% of the total number of issued Shares (the "**HA Shares**"); and
- (b) Hanwha Ocean owns 241,429,700 Shares, representing approximately 21.65% of the total number of issued Shares (the "**HO Shares**").

2. THE OFFER

2.1 **Principal Terms of the Offer.** Subject to the terms and conditions of the Offer to be set out in the formal offer document to be issued in respect of the Offer (the "**Offer Document**"), the Offeror will make the Offer in accordance with Rule 15 of the Code on the following basis:

- (a) **Offer Shares.** The Offer will be extended to all the Shares other than those already owned, controlled or agreed to be acquired by the Offeror.

The Offer will also be extended, on the same terms and conditions, to all new Shares unconditionally issued or to be issued prior to the final closing date of the Offer (the "**Closing Date**") pursuant to:

- (i) the valid exercise of the bonus warrants issued by the Company, which are exercisable into new Shares (the "**Warrants**"); and
- (ii) the valid vesting and release of outstanding awards granted under the Dyna-Mac Share Award Scheme 2021 (as defined in paragraph 4.1 of this Announcement).

For the purposes of the Offer, the expression "**Offer Shares**" shall include the aforesaid Shares.

- (b) **Offer Price.** The consideration for each Offer Share will be as follows:

For each Offer Share: S\$0.60 in cash (the "Offer Price")

- (c) **No Encumbrances.** The Offer Shares are to be acquired fully paid, free from any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing and together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, "**Distributions**") (if any), the Record Date for which falls on or after the Offer

¹ Unless otherwise stated, references in this Announcement to the total number of issued Shares are based on 1,115,364,667 Shares in issue (based on a search conducted with the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") as at the Offer Announcement Date). As at the Offer Announcement Date, the Company does not hold any Shares in treasury.

Announcement Date. For the purpose of this Announcement, "**Record Date**" means, in relation to any Distributions, the date on which the shareholders of the Company ("**Shareholders**") must be registered with the Company or with The Central Depository (Pte) Limited ("**CDP**"), as the case may be, in order to participate in such Distributions.

- (d) **Adjustment for Distributions.** Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution, the Record Date for which falls on or after the Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares, the Record Date for which falls on or after the Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholder falls, as follows:

- (i) if such settlement date falls on or before the Record Date, the Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; and
- (ii) if such settlement date falls after the Record Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

- (e) **Conditions to the Offer.** The Offer will be subject to the conditions set out below.

- (i) **Minimum Acceptance Condition.** The Offer will be conditional upon the Offeror having received by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned by the Offeror and parties acting or deemed to be acting in concert with it, will result in the Offeror and parties acting or deemed to be acting in concert with it holding more than 50% of the Shares in issue as at the close of the Offer (including any Shares which may be unconditionally issued pursuant to the exercise of the Warrants and/or valid vesting and release of the Awards (as defined in paragraph 4.1 of this Announcement) granted under the Dyna-Mac Share Award Scheme 2021 prior to the close of the Offer).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which will result in the Offeror and parties acting or deemed to be acting in concert with it holding such number of Shares amounting to more than 50% of the maximum potential issued share capital of the Company. For this purpose, the "**maximum potential issued share capital of the Company**" means the total number of Shares which would be in issue had all the Warrants (to the extent such Warrants continue to be exercisable into new Shares) been exercised and all the Shares under Awards granted under the Dyna-Mac Share Award Scheme 2021 been issued and

delivered as at the date of such declaration.

- (ii) **Merger Control Condition.** The Offer will be conditional upon the Competition and Consumer Commission of Singapore ("**CCCS**") having issued a favourable decision, in terms satisfactory to the Offeror, during its preliminary assessment pursuant to the CCCS Guidelines on Merger Procedures that the proposed acquisition of the Company by the Offeror will not infringe the provisions under Section 54 of the Competition Act 2004 of Singapore (the "**Favourable Decision**") (the "**Merger Control Condition**").

Merger Control Event. The Offer shall lapse in the event (each, a "**Merger Control Event**") that:

- (A) CCCS refers the proposed acquisition of the Company by the Offeror, or any matter arising from or relating to that proposed acquisition, to a more detailed assessment pursuant to the CCCS Guidelines on Merger Procedures; or
- (B) CCCS issues a direction that prohibits the Offeror from acquiring voting rights in the Company,

before the first closing date as set out in the Offer Document or the date when the Offer becomes or is declared unconditional as to acceptances, whichever is the later.

- (f) **Lapse.** If the Offer lapses as a result of a Merger Control Event, the effects are that the Offer will cease to be capable of further acceptance and both the Shareholders and the Offeror will cease to be bound by prior acceptances of the Offer. If, following the lapse of the Offer as a result of a Merger Control Event, CCCS issues a Favourable Decision, a new offer period shall automatically commence following the date of issue of the Favourable Decision. Such new offer period shall terminate on the earlier of:

- (i) the date on which the Offeror announces that it does not intend to make a new offer; and
- (ii) 21 days following the date of issue of the Favourable Decision if the Offeror does not subsequently announce a new offer.

2.2 **Revision of Terms of the Offer.** The Offeror reserves the right to revise the terms of the Offer in accordance with the Code.

2.3 **Further Details.** Further details of the Offer will be set out in the Offer Document.

3. NO WARRANTS OFFER

3.1 **Warrants.** As at the Offer Announcement Date, based on the latest information available to the Offeror, the Company has 137,663,968 Warrants, which are exercisable into 137,663,968 new Shares representing approximately 10.92% of the enlarged total number of issued Shares². Each Warrant is exercisable into one (1) Share at an exercise price of S\$0.15 during the

² Based on an enlarged total number of 1,260,967,835 issued Shares, assuming the maximum number of Shares have been issued pursuant to the exercise of all outstanding Warrants as at the Offer Announcement Date and the valid vesting and release of the awards granted under the Dyna-Mac Share Award Scheme 2021.

exercise period from 22 July 2024 to 22 October 2024. The terms and conditions of the Warrants are set out in the deed poll constituting the Warrants executed by the Company on 8 January 2024.

- 3.2 **No Warrants Offer.** As the Warrants are transferable by the holders of Warrants (the "**Warrantholders**"), the Offeror would have been required, pursuant to Rule 19 of the Code, to make an offer to the Warrantholders to acquire the Warrants (the "**Warrants Offer**"). However, the Offeror had sought, and the Securities Industry Council of Singapore ("**SIC**") had granted, a waiver of the requirement for the Offeror to make the Warrants Offer pursuant to Rule 19 of the Code, subject to certain conditions (the "**Warrants Offer Waiver**").

Accordingly, the Offeror will not be making a Warrants Offer to Warrantholders to acquire their Warrants.

- 3.3 **No Purchases of Warrants.**

Based on the latest information available to the Offeror as at the Offer Announcement Date, none of the Offeror nor any parties acting or deemed to be acting in concert with it have made any purchases of Warrants during the three (3)-month period immediately preceding the Offer Announcement Date.

- 3.4 **Reasons for Seeking the Warrants Offer Waiver.**

The Offeror had sought the Warrants Offer Waiver on the following grounds:

- (a) The Warrants Offer, if required to be made, would be subject to the Offer becoming unconditional in accordance with its terms, and the Warrants continuing to be exercisable into new Shares.
- (b) The Warrants expire on 22 October 2024. Due to the anticipated timing required for the fulfilment of the Merger Control Condition, the Offer is highly unlikely to become unconditional in all respects by the expiry of the Warrants. As such, the Warrants will in all likelihood expire prior to the first closing date of the Offer without the Offer becoming unconditional in accordance with its terms, and the Warrants Offer will lapse upon the expiry of the Warrants. In such event, Warrantholders who have tendered their Warrants in acceptance of the Warrants Offer would not receive any payment for their Warrants given that the Warrants Offer would have lapsed and they would also be unable to exercise their Warrants into new Shares (and tender such Shares into the Offer) because they would not be permitted to withdraw their acceptances³ in time to do so.
- (c) Accordingly, the Warrants Offer Waiver was sought so as to avoid potential confusion and/or prejudice that may be caused to the Warrantholders as a result of the above scenario. Warrantholders will still have the option to exercise their Warrants into new Shares and tender such Shares into the Offer.

³ Under Rule 29 of the Code, a Warrantholder who accepts the Warrants Offer would only be entitled to withdraw his acceptance after 14 days from the first closing date of the Offer, if the Offer has not by then become unconditional as to acceptances.

Although the Offeror will not be making a Warrants Offer to Warrantheolders to acquire their Warrants, the Offer will be extended to all new Shares issued pursuant to the exercise of the Warrants prior to the close of the Offer. Accordingly, Warrantheolders can accept the Offer by exercising their Warrants into Shares in accordance with the terms and conditions of the Warrants and tendering such Shares in acceptance of the Offer in accordance with the terms of the Offer.

4. AWARDS

4.1 **Awards.** As at the Offer Announcement Date, based on the information available to the Offeror, there are 7,939,200 outstanding awards granted under the Dyna-Mac Share Award Scheme 2021 ("**Awards**") which was approved and adopted by shareholders of the Company on 29 April 2021 (the "**Dyna-Mac Share Award Scheme 2021**").

4.2 **Offer Extended to Shares Issued Pursuant to Vesting and Release of Awards.** As the Awards are not transferable by the holders thereof, the Offeror will not make an offer to acquire the Awards, although, for the avoidance of doubt, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid vesting and release of any outstanding Awards prior to the Closing Date.

5. INFORMATION ON THE OFFEROR, HANWHA AEROSPACE AND HANWHA OCEAN

5.1 Information on the Offeror.

(a) The Offeror is an investment holding company incorporated in Singapore on 21 June 2024 for the purpose of making the Offer. Hanwha Aerospace and Hanwha Ocean have agreed, pursuant to a shareholders' agreement entered into between Hanwha Aerospace, Hanwha Ocean and the Offeror, to undertake the Offer through the Offeror (the "**Offeror Shareholders' Agreement**"). The Offeror Shareholders' Agreement sets out the proposed terms of the shareholders and governance arrangements between Hanwha Aerospace and Hanwha Ocean in respect of the Offeror, in relation to the Offer and following completion of the Offer, including reserved matters requiring the prior written approval of Hanwha Aerospace and Hanwha Ocean.

(b) As at the Offer Announcement Date:

(i) the Offeror has an issued and paid-up share capital of S\$900 comprising 900 ordinary shares;

(ii) Hanwha Aerospace holds 810 ordinary shares in the Offeror, representing 90% of the total number of ordinary shares of the Offeror; and

(iii) Hanwha Ocean holds 90 ordinary shares in the Offeror, representing 10% of the total number of ordinary shares of the Offeror.

Each of Hanwha Aerospace and Hanwha Ocean will fund the total consideration for the Offer (other than the HA Shares and the HO Shares) by way of shareholders' loans (the "**Shareholders' Cash Loans**") to be provided by them in the shareholding proportion of the Offeror as at the Offer Announcement Date. Hanwha Aerospace and Hanwha Ocean will also be making additional shareholder's loans (collectively with the

Shareholders' Cash Loans, the "**Shareholders' Loans**") under the Swap Arrangements as set out in paragraph 7.1 below. Such additional shareholder's loans will be made by them in the proportion of the HA Shares and HO Shares tendered in acceptance of the Swap Arrangements. Each Shareholders' Loan shall be repayable in full by the maturity date, being such date falling nine (9) months from the date the respective Shareholders' Cash Loan is disbursed.

(c) Post Closing Adjustments

Pursuant to the terms of the Shareholders' Agreement and the Shareholders' Loans, the shareholding percentages of Hanwha Aerospace and Hanwha Ocean in the Offeror will be adjusted after the close of the Offer depending on the level of acceptances for the Offer, based on the proportion of the total Shareholders' Loans extended by each of them that have been utilised (excluding transaction expenses and accrued interest on the Shareholders' Loans), by way of a capitalisation of their respective Shareholders' Loans into shares in the Offeror⁴. Accordingly, by way of illustration:

(i) where:

(A) the maximum number of Shares have been issued pursuant to the exercise of all outstanding Warrants as at the Offer Announcement Date and the valid vesting and release of the awards granted under the Dyna-Mac Share Award Scheme 2021 prior to the close of the Offer; and

(B) all Shareholders have tendered their Offer Shares into the Offer,

Hanwha Aerospace's shareholding interest in the Offeror after the close of the Offer will be adjusted to 73.1% and Hanwha Ocean's shareholding interest in the Offeror after the close of the Offer will be adjusted to 26.9%; and

(ii) where:

(A) none of the outstanding Warrants as at the Offer Announcement Date are exercised into Shares and there is no valid vesting and release of any awards granted under the Dyna-Mac Share Award Scheme 2021 prior to the close of the Offer;

(B) the minimum level of acceptances has been met to satisfy the Minimum Acceptance Condition,

Hanwha Aerospace's shareholding interest in the Offeror after the close of the Offer will be adjusted to 51.8% and Hanwha Ocean's shareholding interest in the Offeror after the close of the Offer will be adjusted to 48.2%.

(d) The Offeror has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Offer.

⁴ The shareholdings of Hanwha Aerospace and Hanwha Ocean in the Offeror may be further adjusted pursuant to capital injection by Hanwha Aerospace and Hanwha Ocean to fund transaction costs and expenses and/or capitalisation of accrued interest on the Shareholders' Loans into shares in the Offeror.

(e) As at the Offer Announcement Date, the directors of the Offeror are:

- (i) Mr. Shin, Yong In;
- (ii) Mr. Choi, Jin Hyun; and
- (iii) Mr. Suh, Wee Hyuk.

5.2 **Information on Hanwha Aerospace.** Hanwha Aerospace is a public company incorporated in South Korea and listed on the Korean Stock Exchange. Hanwha Aerospace engages in the defence, aerospace and space business, with expertise in navigation systems, space launch vehicles, satellite services, gas turbine engines and components, and marine lithium-ion battery systems for ships.

As at the Offer Announcement Date, Hanwha Aerospace has a paid-up registered capital of KRW265,650,000,000 (equivalent to approximately S\$257,784,980⁵). Hanwha Corporation Co., Ltd. ("**Hanwha Corporation**") owns approximately 33.95% of the shares of Hanwha Aerospace.

As at the Offer Announcement Date, Hanwha Aerospace's board of directors comprises:

- (a) Mr. Kim, Dongkwan (Internal Director)
- (b) Mr. Son, Jae Il (Internal Director)
- (c) Mr. An, Byungchul (Internal Director)
- (d) Ms. Kim, Hyoun Jin (Outside Director)
- (e) Mr. Jun, Jingoo (Outside Director)
- (f) Mr. Chon, Huy jae (Outside Director)
- (g) Mr. Jung, Do-jin (Outside Director)

5.3 **Information on Hanwha Ocean.** Hanwha Ocean is a public company incorporated in South Korea and listed on the Korean Stock Exchange. It carries on the business of shipbuilding. Since 1973, Hanwha Ocean has continuously pioneered new businesses and now produces a vast range of vessels, including commercial ships, drillships, floating oil production facilities, and specialty ships, such submarines and destroyers.

As at the Offer Announcement Date, Hanwha Ocean has a paid-up registered capital of KRW1,536,794,495,000 (equivalent to approximately S\$1,491,295,082⁵). Hanwha Aerospace holds approximately 23.14% of the shares of Hanwha Ocean. Hanwha Corporation (which is listed on the Korean Stock Exchange) and Hanwha Energy Corporation, together with their related corporations and affiliates (including Hanwha Aerospace), own an aggregate of approximately 46.29% of the shares in the capital of Hanwha Ocean.

⁵ Based on the exchange rate of S\$1.00: KRW1,030.51.

As at the Offer Announcement Date, Hanwha Ocean's board of directors comprises:

- (a) Mr. Kwon, Hyek Woong (Internal Director)
- (b) Mr. Kim, Jong Seo (Internal Director)
- (c) Mr Ryoo, Duhyoung (Internal Director)
- (d) Mr. Kim, Dongkwan (Non-Executive Internal Director)
- (e) Mr. Rhee, Shin Hyung (Outside Director)
- (f) Mr. Kim, Bong Hwan (Outside Director)
- (g) Mr. George P. Bush (Outside Director)
- (h) Ms. Hyun, Nak Hee (Outside Director)
- (i) Mr. Kim, Jaeik (Outside Director)

6. INFORMATION ON THE COMPANY

6.1 **Introduction.** The Company is a company incorporated in Singapore on 19 June 2003 and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 2 March 2011. The principal activities of the Company and its subsidiaries (the "**Group**") are the provision of engineering, procurement and construction services for floating production storage and offloading vessels ("**FPSO**"), floating liquefied natural gas vessels, floating storage and regasification units and fixed platforms, onshore modules for land-based plants for the hydrocarbons industry, as well as offshore and onshore renewables and green energy sectors. Based on the Company's financial statements for the six months ended 30 June 2024 ("**1H2024**") announced on 6 August 2024, the Company's revenue for 1H2024 is S\$259,728,000 and net profit for 1H2024 is S\$38,790,000, resulting in a net profit margin of 14.9% for the financial period.

6.2 **Share Capital.** Based on information available to the Offeror as at the Offer Announcement Date, the Company has:

- (a) an issued and paid-up share capital of S\$159,010,993.05 comprising 1,115,364,667 issued Shares. As at the Offer Announcement Date, the Company does not hold any Shares in treasury;
- (b) 137,663,968 Warrants;
- (c) 7,939,200 outstanding Awards pursuant to which 7,939,200 new Shares will be issued and allotted by the Company upon vesting of the Awards. These Awards will be released and vested in tranches in 2025, subject to the achievement of performance targets as prescribed under the terms of individual Awards; and

- (d) no outstanding options granted under the Dyna-Mac Share Option Scheme 2021 which was approved and adopted by the shareholders of the Company on 29 April 2021.

6.3 **Directors of the Company.** As of the Offer Announcement Date, the directors of the Company are as follows:

- (a) Mr. Lim Ah Cheng (Executive Chairman and Chief Executive Officer)
- (b) Mr. Henry Tan Song Kok (Non-Executive and Independent Director)
- (c) Ms. Lee Kim Lian, Juliana (Non-Executive and Independent Director)
- (d) Ms. Lim Rui Ping (Non-Independent and Non-Executive Director)

7. UNDERTAKINGS

7.1 **Hanwha Aerospace and Hanwha Ocean Undertakings.** As at the Offer Announcement Date, the Offeror has received irrevocable undertakings from Hanwha Aerospace (the "**HA Undertaking**") and Hanwha Ocean (the "**HO Undertaking**"), pursuant to which:

- (a) Hanwha Aerospace has undertaken to tender the HA Shares in acceptance of the Offer and to waive its rights under Rule 30 of the Code to receive the cash consideration payable to it by the Offeror under the terms of the Offer (the "**HA Consideration**"), with the amount of the HA Consideration remaining as a shareholder's loan owing by the Offeror to Hanwha Aerospace (the "**HA Swap Arrangement**"); and
- (b) Hanwha Ocean has undertaken to tender the HO Shares in acceptance of the Offer and to waive its rights under Rule 30 of the Code to receive the cash consideration payable to it by the Offeror under the terms of the Offer (the "**HO Consideration**"), with the amount of the HO Consideration remaining as a shareholder's loan owing by the Offeror to Hanwha Ocean (the "**HO Swap Arrangement**" and together with the HA Swap Arrangement, the "**Swap Arrangements**").

The SIC has confirmed that arrangements made between Hanwha Aerospace, Hanwha Ocean and the Offeror, including the Swap Arrangements and the Offeror Shareholders' Agreement, will not constitute special deals for the purposes of Rule 10 of the Code.

Each of the HA Undertaking and the HO Undertaking will terminate and cease to have any further force or effect if the Offer lapses or is withdrawn or fails to become or be declared unconditional in accordance with its terms for any reason other than a breach by Hanwha Aerospace or Hanwha Ocean (as the case may be) of its obligations under the HA Undertaking or the HO Undertaking (as the case may be).

7.2 **Available for Inspection.** Copies of the HA Undertaking and the HO Undertaking are available for inspection at the offices of the Offeror at 7 Temasek Boulevard #14-01, Suntec Tower One, Singapore 038987 during normal business hours from the Offer Announcement Date until the date on which the Offer closes, lapses or is withdrawn in accordance with its terms.

8. RATIONALE FOR THE OFFER

8.1 Acquisition to realise potential synergies

As mentioned in paragraph 5.3 of this Announcement, Hanwha Ocean (both a shareholder of the Offeror and a related corporation of Hanwha Aerospace) produces a vast range of vessels. In the offshore oil and gas space, Hanwha Ocean provides various platforms, including FPSOs and fixed platforms, as well as produces drilling equipment for offshore and deep-sea oil exploration, such as drillships and rigs.

The Offeror is of the view that the acquisition of the Company may allow Hanwha Ocean to generate potential synergies that can be created, including economies of scale, improvement of productivity and cost efficiency, as well as the strengthening of domain knowledge such as engineering competencies, know-hows and best practices.

8.2 Opportunity for minority Shareholders to realise their investment in the Shares at a premium

The Offer Price represents a premium of approximately 50.0%, 29.3%, 14.1% and 6.2% over the volume-weighted average price ("VWAP") per Share for the 12-month, six (6)-month, three (3)-month and one (1)-month periods respectively, up to and including 10 September 2024, being the last full day of trading of the Shares prior to the Offer Announcement Date (the "**Last Trading Day**"). The Offer Price also represents a premium of 21.2% over the last transacted price per Share on the Last Trading Day.



The Offer Price also represents a premium of 581.8% over the lowest closing price of the Shares in the three (3)-year period prior to and including the Last Trading Day, and a discount of 2.4% to the highest closing price of the Shares during this period.

The Offer presents Shareholders with an opportunity to realise their investment in the Shares, at a premium over the VWAP of the Shares for the abovementioned periods and the last transacted price per Share on the Last Trading Day, without incurring brokerage and other trading costs.

9. FINANCIAL ASPECTS OF THE OFFER

The Offer Price represents the following premium over/(discount to) certain historical market prices of the Shares as set out below:

Description	Benchmark Price ⁽¹⁾ (S\$)	Premium over/ (Discount to) the Benchmark Price ⁽²⁾ (%)
(a) Last traded price of the Shares on the SGX-ST on the Last Trading Day	0.495	21.2
(b) VWAP for the 12-month period up to and including the Last Trading Day	0.400	50.0
(c) VWAP for the six (6)-month period up to and including the Last Trading Day	0.464	29.3
(d) VWAP for the three (3)-month period up to and including the Last Trading Day	0.526	14.1
(e) VWAP for the one (1)-month period up to and including the Last Trading Day	0.565	6.2
(f) Lowest closing price of the Shares traded on the SGX-ST for the three (3)-year period prior to and including the Last Trading Day	0.088	581.8
(g) Highest closing price of the Shares traded on the SGX-ST for the three (3)-year period prior to and including the Last Trading Day	0.615	(2.4)

Notes:

(1) The historical market prices of the Shares (rounded to the nearest three (3) decimal places) are based on data extracted from Bloomberg L.P..

(2) Percentage figures have been rounded to the nearest one (1) decimal place.

10. LISTING STATUS AND COMPULSORY ACQUISITION

10.1 Listing Status.

- (a) Pursuant to Rule 1105 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its concert parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 500 Shareholders who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances

exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

- (b) Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares is at all times held by the public ("**Free Float Requirement**"). In addition, under Rule 724(1) of the Listing Manual, if the Company fails to satisfy the Free Float Requirement, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.
- (c) **The Offeror does not have any present intention to actively pursue the delisting of the Company from the Mainboard of the SGX-ST.** However, in the event that the Free Float Requirement is not satisfied at the close of the Offer, and the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted. The Offeror reserves the right and discretion, if such event arises, to assess the options available at such time and there is no assurance that the current intention will be carried into effect.

10.2 Compulsory Acquisition.

- (a) Pursuant to Section 215(1) of the Companies Act 1967 of Singapore (the "**Companies Act**"), if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees and any person or body corporate falling within the meaning of Section 215(9A)⁶ of the Companies Act as at the date of the Offer), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**"), at the Offer Price.
- (b) **In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from SGX-ST.** The Offeror reserves the right and discretion, if such event arises, to assess the options available and there is no assurance that the current intention will be carried into effect.

⁶ For the purpose of paragraph 10.2(a) above, any person or body corporate falling within the meaning of Section 215(9A) of the Companies Act refers to, *inter alia*:

- (a) a person who is accustomed or is under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of the Offeror in respect of the Company;
- (b) a person whose directions, instructions or wishes the Offeror is accustomed or is under an obligation whether formal or informal to act in accordance with, in respect of the Company; or
- (c) a body corporate that is controlled by the Offeror or a person mentioned in paragraph (a) or (b) above.

- (c) Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. Dissenting Shareholders who wish to exercise such rights are advised to seek their own independent legal advice.

11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

11.1 **Shareholdings and Dealings in Company Securities.** The Appendix to this Announcement sets out, based on the latest information available to the Offeror as at the Offer Announcement Date, (a) the number of Company Securities (as defined in paragraph 11.2 of this Announcement) owned, controlled or agreed to be acquired as at the Offer Announcement Date, and (b) the dealings in the Company Securities during the three (3)-month period immediately preceding the Offer Announcement Date (the "**Reference Period**") by:

- (a) the Offeror and its directors;
 - (b) Hanwha Aerospace, Hanwha Ocean and their respective directors; and
 - (c) UOB, as financial adviser to the Offeror in connection with the Offer,
- (collectively, the "**Relevant Persons**").

11.2 **No Other Holdings and Dealings in Company Securities.** Save as disclosed in this Announcement, as at the Offer Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons:

- (a) owns, controls or has agreed to acquire any (i) Shares, (ii) securities which carry voting rights in the Company, (iii) securities convertible or exchangeable into new or existing Shares or securities which carry voting rights in the Company, (iv) warrants or securities carrying subscription rights into Shares or securities which carry voting rights in the Company, including the Warrants, or (v) options and derivatives in respect of any of the foregoing (collectively, the "**Company Securities**"); and
- (b) has dealt for value in any Company Securities during the Reference Period.

11.3 **Other Arrangements in respect of Company Securities.** Save as disclosed in this Announcement (including in relation to the Offeror Shareholders' Agreement, the Shareholders' Loans and the Undertakings), as at the Offer Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Company Securities or the securities of the Offeror which might be material to the Offer;
- (b) received any irrevocable commitment to accept the Offer;

- (c) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (d) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (e) lent any Company Securities to another person.

11.4 **Further Enquiries.** In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Offer Document.

12. CONFIRMATION OF FINANCIAL RESOURCES

UOB, as financial adviser to the Offeror, confirms that sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Offer, on the basis of the Offer Price, excluding:

- (a) the HA Shares to be tendered by Hanwha Aerospace pursuant to the HA Swap Arrangement, for which Hanwha Aerospace will waive its right to receive the HA Consideration; and
- (b) the HO Shares to be tendered by Hanwha Ocean pursuant to the HO Swap Arrangement, for which Hanwha Ocean will waive its right to receive the HO Consideration,

each as described in paragraph 7.1 of this Announcement.

13. DESPATCH OF THE OFFER DOCUMENT

The Offer Document setting out the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the Offer Announcement Date. The Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document. **Shareholders and potential investors are advised to exercise caution and seek appropriate independent professional advice when dealing in the Shares.**

14. OVERSEAS SHAREHOLDERS

14.1 **Overseas Jurisdictions.** This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. **For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Offer Document and the relevant form(s) of acceptance may not be sent.**

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the laws of that jurisdiction (a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

14.2 **Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of CDP (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.

14.3 **Copies of the Offer Document.** Where there are potential restrictions on sending the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document to any overseas jurisdictions, the Offeror and UOB each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Offer Document and the relevant form(s) of acceptance from the office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Company's share registrar at the above-stated address to request for the Offer Document and the relevant form(s) of acceptance to be sent to an address in Singapore by ordinary post at his own risk, up to the five (5) market days prior to the close of the Offer.

15. CAUTIONARY STATEMENT

SHAREHOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN TRADING IN THE SHARES, AND WHERE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, ACCOUNTANT, SOLICITOR, TAX ADVISER OR OTHER PROFESSIONAL ADVISERS.

16. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and, where appropriate, no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, in relation to the Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by

United Overseas Bank Limited

For and on behalf of

Hanwha Ocean SG Holdings Pte. Ltd.

11 September 2024

Any inquiries relating to this Announcement or the Offer should be directed during office hours to the UOB helpline at (+65) 6539 7066.

IMPORTANT NOTICE

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "expect", "anticipate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor UOB undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

APPENDIX

DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

1. Interests in Shares held by the Relevant Persons

The interests in the Shares held by the Relevant Persons as at the Offer Announcement Date are set out below:

Name	Direct Interest		Indirect Interest		Total	
	No. of Shares	% ^{(1) (2)}	No. of Shares	% ^{(1) (2)}	No. of Shares	% ^{(1) (2)}
Hanwha Ocean	241,429,700	21.65	-	-	241,429,700	21.65
Hanwha Aerospace ⁽³⁾	41,429,700	3.71	241,429,700	21.65	282,859,400	25.36

Notes:

- (1) All references to percentage shareholding of the issued Shares in paragraph 1 are based on a total of 1,115,364,667 Shares in issue (based on a search conducted with ACRA as at the Offer Announcement Date).
- (2) Percentage figures have been rounded to the nearest two (2) decimal places.
- (3) As Hanwha Aerospace has an approximately 23.14% interest in Hanwha Ocean, Hanwha Aerospace is deemed interested in the Shares held by Hanwha Ocean by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore.

2. Dealings in Company Securities by the Relevant Persons

There have been no dealings in the Company Securities by the Relevant Persons during the Reference Period.