

OFFER INFORMATION STATEMENT DATED 12 JULY 2018

(Lodged with the Singapore Exchange Securities Trading Limited (the "SGX-ST") acting as agent on behalf of the Monetary Authority of Singapore (the "Authority") on 12 July 2018)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. 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).

The securities offered are issued by Ocean Sky International Limited (the "Company"), an entity whose shares are listed for quotation on Catalist (as defined herein).

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

This offer is made in or accompanied by an offer information statement (the "Offer Information Statement"), together with copies of the Provisional Allotment Letter (the "PAL"), the Application Form for Rights Shares with Warrants and Excess Rights Shares with Warrants (the "ARE") and the Application Form for Rights Shares with Warrants (the "ARS"), which has been lodged with the SGX-ST, acting as agent on behalf of the Authority.

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Information Statement. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Information Statement, including the correctness of any of the statements or opinions made or reports contained in this Offer Information Statement. Neither the Authority nor the SGX-ST has in any way considered the merits of the securities being offered for investment. The lodgement of this Offer Information Statement with the SGX-ST does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, or requirements in the SGX-ST's listing rules, have been complied with.

An application has been made for permission for the Rights Shares (as defined herein), with Warrants (as defined herein) and the Warrant Shares (as defined herein) to be listed for quotation on Catalist, and a listing and quotation notice has been obtained from SGX-ST on 4 June 2018 for the listing and quotation of the same on Catalist, subject to certain conditions. The listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist is not to be taken as an indication of the merits of the Rights cum Warrants Issue (as defined herein), the Rights Shares, the Warrants, the Warrant Shares, the Company, its subsidiaries and their securities.

The Rights Shares, the Warrants and the Warrant Shares will be admitted to Catalist after the certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited ("CDP") have been despatched.

This Offer Information Statement has been prepared solely in relation to the Rights cum Warrants Issue and shall not be relied upon by any other person or for any other purpose.

Acceptance of applications will be conditional upon issue of the Rights Shares and upon listing of the Rights Shares on Catalist. Monies paid in respect of any application accepted will be returned if the listing of the Rights Shares does not proceed. It should be noted that the Warrants may not be listed and quoted on the SGX-ST in the event that there is an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, holders of Warrants will not be able to trade their Warrants on the SGX-ST. However, if holders of the Warrants were to exercise their Warrants to subscribe for Warrant Shares, subject to the terms and conditions of the Warrants, such Warrant Shares will be listed and quoted on the SGX-ST.

After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no person shall make an offer of securities, or allot, issue or sell any securities, on the basis of this Offer Information Statement; and no officer or equivalent person or promoter of the entity or proposed entity will authorise or permit the offer of any securities or the allotment, issue or sale of any securities, on the basis of this Offer Information Statement.

Your attention is drawn to the "Risk Factors" section of this Offer Information Statement which you should review carefully.

All the documentation relating to the Rights cum Warrants Issue has been seen and approved by the directors of the Company and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in these documents misleading.

This Offer Information Statement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor") for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this Offer Information Statement. This Offer Information Statement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Offer Information Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Offer Information Statement. The contact person for the Sponsor is Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.



Ocean Sky International Limited

(Company Registration Number: 198803225E)

(Incorporated in the Republic of Singapore on 8 September 1988)

THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 162,470,151 NEW ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S\$0.062 (THE "ISSUE PRICE") FOR EACH RIGHTS SHARE, WITH UP TO 162,470,151 FREE DETACHABLE WARRANTS (THE "WARRANTS"), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE ISSUED SHARE CAPITAL OF THE COMPANY (THE "WARRANT SHARE") AT THE EXERCISE PRICE OF S\$0.068 (THE "EXERCISE PRICE") FOR EACH WARRANT SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE (AND ONE(1) WARRANT) FOR EVERY TWO (2) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "RIGHTS CUM WARRANTS ISSUE")

Manager of the Rights cum Warrants Issue

UOB Kay Hian

UOB Kay Hian Private Limited

(Company Registration Number: 197000447W)

(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES:

Last date and time for splitting	:	25 July 2018 at 5.00 p.m.
Last date and time for acceptance and payment	:	31 July 2018 at 5.00 p.m. (9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation and payment	:	31 July 2018 at 5.00 p.m. (9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for excess application and payment	:	31 July 2018 at 5.00 p.m. (9.30 p.m. for Electronic Applications (as defined herein))

IMPORTANT NOTICE

Capitalised terms used below which are not otherwise defined herein shall have the same meanings as ascribed to them under the “Definitions” section of this Offer Information Statement.

For Entitled Depositors (which excludes Entitled Scripholders, SRS Shareholders, CPFIS Shareholders and investors who hold Shares through finance companies or Depository Agents), acceptances of the Rights Shares with Warrants and/or (if applicable) applications for excess Rights Shares with Warrants may be made through CDP or by way of an Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants may be made through the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623.

For investors who have subscribed for or purchased Shares under the SRS, or through finance companies or Depository Agents, acceptances of their Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants must be done through their respective finance companies or Depository Agents, in the case of CPFIS Shareholders, their respective CPF Approved Banks, and in the case of the SRS Shareholders, the relevant banks in which they hold their SRS accounts. Any application made directly to the CDP or through ATMs will be rejected.

For CPFIS Shareholders, acceptances of their Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants can only be made using, subject to applicable CPF rules and regulations, their CPF accounts savings (“CPF Funds”). In the case of insufficient CPF Funds or stock limit, CPFIS Shareholders can top up cash into their CPF Investment Accounts before instructing their respective CPF Approved Banks to accept the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants. CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.

For renounees of Entitled Shareholders or purchasers of provisional allotment of Rights Shares with Warrants traded on the SGX-ST during the Rights Trading Period (“Purchasers”) whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights Shares with Warrants made directly through CDP, the Share Registrar and/or the Company, as well as Electronic Applications at ATMs of Participating Banks will be rejected.

The existing Shares are listed and quoted on Catalist.

Persons wishing to subscribe for the Rights Shares with Warrants offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Group, and the rights and liabilities attaching to the Rights Shares with Warrants, the Warrants, the Warrant Shares and/or the Shares. They should make their own independent enquiries and investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their stockbroker, bank manager, solicitor, accountant or other professional adviser before deciding whether to acquire any Rights Shares with Warrants, Warrants, Warrant Shares and/or Shares or invest in the Company.

IMPORTANT NOTICE

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement in connection with the Rights cum Warrants Issue and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Sponsor.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Group. Neither the delivery of this Offer Information Statement nor the issue of the Rights Shares with Warrants and/or the Warrant Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement Offer Information Statement with the SGX-ST, acting as an agent on behalf of the Authority. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

None of the Company nor the Sponsor is making any representation in this Offer Information Statement to any person regarding the legality of an investment in the Rights Shares with Warrants, the Warrants, the Warrant Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser for business, financial, legal or tax advice regarding an investment in the Rights Shares with Warrants, the Warrants, the Warrant Shares and/or the Shares.

The Sponsor makes no representation, warranty or recommendation whatsoever as to the merits of the Rights cum Warrants Issue, the Rights Shares with Warrants, the Warrants, the Warrant Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or purchase the Rights Shares with Warrants, the Warrants, the Warrant Shares and/or the Shares. Prospective subscribers of the Rights Shares with Warrants should rely on their investigation of the financial condition and affairs of the Company and the Group as well as their own appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares with Warrants, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched by the Company, their renounees and purchasers of the provisional allotments of Rights Shares with Warrants) or for any other purpose.

This Offer Information Statement, the PAL, the ARE and the ARS may not be used for the purpose of and do not constitute an offer, invitation or solicitation to anyone in any jurisdiction or under any circumstances in which such offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law in certain jurisdictions under the relevant securities laws of those jurisdictions. Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and observe such prohibitions and restrictions at their own expense and without liability to the Company or the Sponsor. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Cum Warrants Issue” of this Offer Information Statement for further information.

UOB Kay Hian Private Limited, as the Manager of the Rights cum Warrants Issue and the Sponsor, has given and has not withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name in the form and context which it appears in this Offer Information Statement.

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DEFINITIONS

For the purposes of this Offer Information Statement, the PAL, the ARE and the ARS, the following terms shall, unless the context otherwise requires, have the following meanings:

“1Q2018”	:	The first financial quarter ended 31 March 2018
“Act” or “Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
“AGM”	:	The annual general meeting of the Company
“Announcement”	:	The announcement released by the Company on 22 May 2018 in relation to the Rights cum Warrants Issue
“ARE”	:	Application and acceptance form for Rights Shares with Warrants and excess Rights Shares with Warrants to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue
“ARS”	:	Application and acceptance form for Rights Shares with Warrants to be issued to Purchasers of the provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue traded on Catalist through the book-entry (scripless) settlement system
“ATM”	:	Automated teller machine of a Participating Bank
“Authority”	:	The Monetary Authority of Singapore
“Board”	:	The board of Directors of the Company for the time being
“Books Closure Date”	:	5.00 p.m. on 12 July 2018, being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the Rights of the Entitled Shareholders under the Rights cum Warrants Issue
“Business Day”	:	A day (other than a Saturday, Sunday or public holiday) on which banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	The SGX-ST’s Listing Manual – Section B: Rules of Catalist, as may be amended, varied or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Closing Date”	:	(a) 5.00 p.m. on 31 July 2018, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance and/or Excess Application and payment and/or renunciation and payment of the Rights Shares with Warrants under the Rights cum Warrants Issue through CDP or the Share Registrar; or

DEFINITIONS

	(b)	9.30 p.m. on 31 July 2018, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance and/or Excess Application and payment of the Rights Shares with Warrants under the Rights cum Warrants Issue through an ATM of a Participating Bank
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Company”	:	Ocean Sky International Limited
“CPF”	:	Central Provident Fund
“CPF Approved Bank”	:	Any bank appointed by the CPF Board to be a bank for the purposes of the CPF Regulations
“CPF Board”	:	The board of the CPF established pursuant to the Central Provident Fund Act (Chapter 36) of Singapore, as may be amended, modified or supplemented from time to time
“CPF Investment Account”	:	An account opened by a member of CPF with a CPF Approved Bank from which money may be withdrawn for, <i>inter alia</i> , payment of the Issue Price for the Rights Shares (and if applicable excess Rights Shares) and Exercise Price arising from the exercise of each Warrant
“CPF Regulations”	:	The Central Provident Fund (Investment Schemes) Regulations and any other applicable regulations issued from time to time by the CPF Board or other relevant competent authority
“CPFIS”	:	CPF Investment Scheme
“CPFIS-OA”	:	CPF Investment Scheme – Ordinary Account
“CPFIS Shareholder”	:	Persons who previously bought their Shares under the CPF Investment Account
“Deed Poll”	:	The deed poll dated 27 June 2018 executed by the Company for the purpose of constituting the Warrants and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warranholders
“Directors”	:	Directors of the Company as at the date of this Offer Information Statement
“EGM”	:	The extraordinary general meeting of the Company
“Electronic Application”	:	Acceptance of the Rights Shares with Warrants and (if applicable) application for the excess Rights Shares with Warrants made through an ATM of one of the Participating Banks in accordance with the terms and conditions of this Offer Information Statement

DEFINITIONS

- “Entitled Depositors”** : Shareholders with Shares standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
- “Entitled Scripholders”** : Shareholders whose (i) Share certificates are not deposited with CDP, (ii) Shares are registered in their own names and (iii) registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided the Company’s Share Registrar with addresses in Singapore for the service of notices and documents
- “Entitled Shareholders”** : Entitled Depositors and Entitled Scripholders
- “Excess Applications”** : Applications by Entitled Shareholders of the Rights Shares with Warrants in excess of their provisional allotments of Rights Shares with Warrants
- “Exercise Period”** : The period during which the Warrants may be exercised, commencing on the date of issue of the Warrants and expiring on the day immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the Warrants shall expire on the date prior to closure of the Register of Members of the Company or on the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warrantholders may be closed), subject to the terms and conditions of the Warrants to be set out in the Deed Poll. The right to exercise the Warrants will not be extended beyond the Exercise Period
- “Exercise Price”** : The price payable in respect of each Warrant Share upon the exercise of a Warrant which shall be S\$0.068, subject to certain adjustments in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
- “Existing Share Capital”** : The existing issued and paid-up share capital of the Company of 324,940,302 Shares (excluding treasury shares) as at the Latest Practicable Date
- “Foreign Purchasers”** : Persons purchasing the Rights through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
- “Foreign Shareholders”** : Shareholders with registered addresses outside Singapore as at the Books Closure Date and who had not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Company’s Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
- “FY”** : Financial year ended 31 December

DEFINITIONS

“Group”	:	The Company and its Subsidiaries
“Issue Price”	:	The issue price of the Rights Shares, being S\$0.062 for each Rights Share
“Latest Practicable Date”	:	5 July 2018, being the latest practicable date prior to the lodgement of this Offer Information Statement
“Letter of Undertaking”	:	The letter of undertaking dated 26 April 2018 executed by the Undertaking Shareholder in favour of the Company and UOB Kay Hian Private Limited, pursuant to which the Undertaking Shareholder irrevocably undertakes to subscribe and pay for his entire <i>pro rata</i> entitlement of 92,720,270 Rights Shares, or such other number of Rights Shares which are provisionally allotted to the Undertaking Shareholder pursuant to the Rights cum Warrants Issue due to any changes after the date of Letter of Undertaking, at the Issue Price and in accordance with the terms of the Rights cum Warrants Issue, no later than the Closing Date
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Maximum Subscription Scenario”	:	Based on the Existing Share Capital and assuming that all of the Entitled Shareholders subscribe and pay for their <i>pro rata</i> entitlements of Rights Shares with Warrants
“Offer Information Statement”	:	This offer information statement and, where the context admits, the PAL, the ARE, the ARS and all accompanying documents including any supplementary or replacement document which may be issued by the Company in connection with the Rights cum Warrants Issue
“Participating Banks”	:	DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited, and United Overseas Bank Limited, and each of them a “Participating Bank”, that will be participating in the Rights cum Warrants Issue by making available their ATMs to Entitled Depositors for acceptances of the Rights Shares with Warrants and/or Excess Applications
“Provisional Allotment Letter” or “PAL”	:	The provisional allotment letter issued to the Entitled Scripholders, setting out the provisional allotments of Rights Shares under the Rights cum Warrants Issue
“Purchaser”	:	A purchaser of the Rights during the Rights Trading Period
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Share Registrar or with CDP in order to participate in such dividends, rights, allotments or other distributions
“Register of Members”	:	Register of members of the Company
“Rights”	:	Rights to subscribe for one (1) Rights Share with one (1) Warrant for every two (2) Shares held by Shareholders as at the Books Closure Date

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“Rights cum Warrants Issue”	:	The renounceable non-underwritten rights issue by the Company of up to 162,470,151 Rights Shares at an issue price of S\$0.062 for each Rights Share with up to 162,470,151 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.068 for each Warrant Share, on the basis of one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given with one (1) Rights Share subscribed, fractional entitlements to be disregarded
“Rights Share(s)”	:	Up to 162,470,151 new Shares to be allotted and issued by the Company pursuant to the Rights cum Warrants Issue
“Rights Trading Period”	:	The trading period of the Rights on a “nil-paid” basis
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“Securities and Futures Act” or “SFA”	:	Securities and Futures Act (Chapter 289) of Singapore, as Amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNet”	:	The SGXNET Corporate Announcement System, being a system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Share Transfer Books”	:	The share transfer books of the Company
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company or, where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Shares”	:	Ordinary shares in the capital of the Company
“Sponsor”	:	UOB Kay Hian Private Limited
“SRS”	:	Supplementary Retirement Scheme
“SRS Account”	:	An account opened by a participant in the SRS with an SRS Approved Bank from which money may be withdrawn for, <i>inter alia</i> , payment of the Rights Shares with Warrants and/or Excess Rights Shares with Warrants
“SRS Approved Banks”	:	Approved banks in which SRS Shareholders hold their accounts under the SRS

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“SRS Funds”	:	Monies standing to the credit of the SRS accounts of SRS Shareholders under the SRS
“SRS Shareholders”	:	Shareholders under the SRS
“Subsidiaries”	:	Has the meaning ascribed to it in section 5 of the Companies Act and “ Subsidiary ” shall be construed accordingly
“Substantial Shareholder”	:	A person who has an interest in voting shares of the Company, the total votes attached to which is not less than 5% of the total votes attached to all the voting shares in the Company
“Undertaking Shareholder”	:	Mr. Ang Boon Cheow Edward
“Warrant(s)”	:	Up to 162,470,151 free detachable warrants in registered form, to be allotted and issued by the Company together with the Rights Shares pursuant to the Rights cum Warrants Issue, and where the context so admits, such additional warrants as may be required or permitted to be allotted and issued by the Company pursuant to the terms and conditions of the warrants as set out in the Deed Poll (any such additional warrants to rank <i>pari passu</i> with the warrants to be issued together with the Rights Shares and for all purposes to form part of the same series of warrants constituted by the Deed Poll), subject to the terms and conditions to be set out in the Deed Poll, each warrant entitling the holder thereof to subscribe for one (1) Warrant Share at the Exercise Price, subject to the terms and conditions as set out in the Deed Poll
“Warrantholders”	:	Registered holders of the Warrants
“Warrant Agent”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Warrant Agency Agreement”	:	The warrant agency agreement to be executed by the Company and the Warrant Agent, pursuant to which the Warrant Agent is appointed by the Company to act in connection with the Warrants upon the terms and conditions set out therein, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment
“Warrant Shares”	:	Up to 162,470,151 new Shares to be allotted and issued by the Company, credited as fully paid, upon the exercise of the Warrants, subject to and in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
“S\$” and “cents”	:	Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore
“US\$” and “US cents”	:	United States dollars and cents, respectively, being the lawful currency of the United States of America
“%” or “per cent.”	:	Per centum or percentage

DEFINITIONS

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The terms “**concert parties**” and “**parties acting in concert**” shall have the respective meanings ascribed to them in the Code.

Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

The headings in this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

Any reference to the time of day in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to Singapore time unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE or the ARS in relation to the Rights cum Warrants Issue (including but not limited to the Closing Date and the last dates and times for splitting, acceptance and payment, renunciation and payment, and Excess Application and payment) shall include such other dates(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the PAL, the ARE or the ARS to any enactment is reference to that enactment for the time being amended or re-enacted. Any term defined under the Act, the SFA, the Code, or the Catalist Rules, or such statutory or regulatory modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning ascribed to it under the Act, SFA, the Code, or the Catalist Rules, or such statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

All discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

Any reference to “**we**”, “**us**” and “**our**” in this Offer Information Statement is a reference to the Group or any member of the Group as the context requires.

EXPECTED TIMETABLE OF KEY EVENTS

Shares trade ex-rights	:	10 July 2018 from 9.00 a.m.
Books Closure Date	:	12 July 2018 at 5.00 p.m.
Lodgement of the Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority	:	12 July 2018
Despatch of the Offer Information Statement, ARE and PAL (as the case may be) to Entitled Shareholders	:	17 July 2018
Commencement of trading of “nil-paid” rights	:	17 July 2018 from 9.00 a.m.
Last date and time for splitting and trading of “nil-paid” rights	:	25 July 2018 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares with Warrants	:	31 July 2018 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for acceptance of and payment for Rights Shares with Warrants by renounees	:	31 July 2018 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for application and payment for excess Rights Shares with Warrants	:	31 July 2018 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issue of Rights Shares	:	6 August 2018
Expected date for issue of Warrants	:	7 August 2018
Expected date for crediting of Rights Shares and Warrants	:	8 August 2018
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	8 August 2018
Expected date and time for the listing and commencement of trading of Rights Shares on the SGX-ST	:	8 August 2018 from 9.00 a.m.
Expected date and time for the listing and commencement of trading of Warrants (subject to there being an adequate spread of holdings in the Warrants to provide for an orderly market in the trading of the Warrants) on the SGX-ST	:	10 August 2018 from 9.00 a.m.

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST, the Sponsor and/or CDP, modify the above timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNet announcement at the SGX-ST’s website <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

1. Entitled Shareholders

In order to be eligible for the Rights cum Warrants Issue, a Shareholder must be an Entitled Shareholder, and not be a person to whom it is unlawful to send this Offer Information Statement or make an invitation under the Rights cum Warrants Issue.

All questions as to the eligibility of any person to participate in the Rights cum Warrants Issue, subscribe and/or apply for the Rights Shares with Warrants and as to the validity, form and eligibility (including time of receipt) of any ARE, ARS or PAL will be determined by the Company in its sole discretion. The Company's determination as to whether a person is an Entitled Shareholder and as to whether or when an ARE, ARS or PAL is received, whether it is duly completed or whether acceptance is validly revoked shall be final and binding.

Entitled Shareholders are entitled to participate in the Rights cum Warrants Issue and to receive this Offer Information Statement together with the ARE or PAL, as the case may be, and other accompanying documents at their respective Singapore addresses.

Entitled Depositors who do not receive this Offer Information Statement and the AREs may obtain them from CDP or the Share Registrar during the period up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PALs may obtain them from the Share Registrar during the period up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares with Warrants on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade their provisional allotments of Rights Shares with Warrants on Catalist during the provisional allotment trading period prescribed by the SGX-ST and are eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue. For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or the renounees) shall be entitled to apply for additional Rights Shares with Warrants in excess of their provisional allotments.

All dealings in, and transactions of, the provisional allotments of Rights Shares with Warrants through the Catalist will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the Catalist.

Entitled Depositors who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants may only do so through the CDP and/or by way of an Electronic Application through an ATM of a Participating Bank. Entitled Scripholders who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants may only do so through the Share Registrar. For investors who hold Shares through a finance company or Depository Agent, the acceptance and subscription of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants must be done through the respective finance company or Depository Agent. Any acceptance and/or application by such investors to accept the provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected.

SRS Shareholders who had previously bought Shares using SRS Funds and who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants can only do so, subject to applicable SRS rules and regulations, using SRS Funds. Such SRS Shareholders who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants using SRS Funds, must instruct their respective SRS Approved Banks, with which they hold their SRS Accounts, to accept their provisional allotments of Rights Shares with Warrants and (if applicable)

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

apply for Excess Rights Shares with Warrants on their behalf in accordance with this Offer Information Statement. Such SRS Shareholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants. SRS Shareholders are advised to provide their respective SRS Approved Banks with which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in order for their respective SRS Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by SRS Shareholders to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected. SRS Funds, however, cannot be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.

CPFIS Shareholders may use, subject to applicable CPF rules and regulations, their CPF Funds to pay for the Rights Shares. CPFIS Shareholders who have acquired the Shares using their respective CPF Funds under the CPFIS-OA, can only use their respective CPF Funds to pay for the Rights Shares with Warrants. In the case of insufficient CPF funds or stock limit, the CPFIS Shareholders could top up cash into their respective approved banks to accept the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants directly from the market. CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market. CPFIS Shareholders who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using CPF Funds will need to instruct the respective approved banks, where such CPFIS Shareholders hold their CPF investment accounts, to accept their provisional allotment of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with this Offer Information Statement. CPFIS Shareholders are advised to provide their respective approved banks with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by CPFIS Shareholders to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares with Warrants made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected.

Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, not later than three (3) Market Days before the Books Closure Date.

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Company. Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach the Share Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not later than three (3) Market Days before the Books Closure Date. Entitled Scripholders may open Securities Accounts with CDP if they have not already done so and deposit their Share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the Rights. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12th) Market Day from the date of lodgement of the Share certificates with CDP or such later date subject to the completion of the lodgement process.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders' provisional allotments of Rights Shares with Warrants and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

reason, be aggregated and allotted to satisfy Excess Applications for Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the best interests of the Company.

In the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board of Directors will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants.

The Company will not make any allotment and issue of Rights Shares, Warrants or Warrant Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, the acceptance, renunciation and/or sale of the provisional allotments of Rights Shares with Warrants and the application for excess Rights Shares with Warrants, including the different modes of acceptances or application and payment, are contained in **Appendices B, C and D** of this Offer Information Statement and in the PAL, the ARE and the ARS.

2. Foreign Shareholders

This Offer Information Statement and its accompanying documents relating to the Rights cum Warrants Issue have been lodged with the SGX-ST acting as agent on behalf of the Authority in Singapore. This Offer Information Statement and its accompanying documents relating to the Rights cum Warrants Issue have not been and will not be lodged, registered or filed in any jurisdiction other than in Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights cum Warrants Issue. No provisional allotment of the Rights Shares with Warrants has been made or will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid.

Foreign Shareholders who wish to be eligible to participate in the Rights cum Warrants Issue must register a Singapore mailing address with (i) CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, or (ii) the Share Registrar, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, as the case may be, not less than (3) Market Days before the Books Closure Date.

The Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renouncee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares with Warrants renounced to him.

The Company further reserves the right to reject any acceptances of the Rights Shares with Warrants and/or any application for excess Rights Shares with Warrants where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

The Company reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the Share certificate(s) for the Rights Shares with Warrants or which requires the Company to despatch the Share certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any deemed representation or warranty required by the terms of this Offer Information Statement, the ARE, the ARS or the PAL.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares with Warrants commence.

Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them by means of a crossed cheque at their own risk by ordinary post, or in such other manner as they may have agreed with CDP for payment of any cash distributions. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Sponsor, the Share Registrar or CDP in connection therewith.

Where such provisional allotments of Rights Shares with Warrants are sold “nil-paid” on SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in respect of such sales or proceeds thereof, the provisional allotments of Rights Shares with Warrants or the Rights Shares with Warrants represented by such provisional allotments.

If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be used to satisfy Excess Applications (if any) or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

Shareholders should note that the special arrangements described above would apply only to Foreign Shareholders.

Notwithstanding the above, Entitled Shareholders and any other person having possession of this Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.

This Offer Information Statement and/or its accompanying documents are not intended for distribution outside of Singapore.

TRADING

1. Listing of and Quotation for the Rights Shares with Warrants

The Company has on 4 June 2018 obtained the listing and quotation notice from the SGX-ST for the listing and quotation of up to 162,470,151 Rights Shares, up to 162,470,151 Warrants, and up to 162,470,151 Warrant Shares on Catalist, subject to certain conditions as set out in the listing and quotation notice. Please note that the listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its Subsidiaries and their securities.

The listing of the Rights Shares, Warrants and the Warrant Shares will commence after all the securities certificates have been issued and the notification letters from CDP have been despatched. Upon listing and quotation on Catalist, the Rights Shares, the Warrants and the Warrant Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights Shares, the Warrants and the Warrant Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with CDP**", the "**Terms and Conditions for CDP to act as Depository for the Rights Shares**" and the "**Terms and Conditions for CDP to act as Depository for the Warrants**", as the same may be amended from time to time. Copies of the above are available from CDP.

2. Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Shares with Warrants, and who wish to trade the Rights Shares and Warrants issued to them on the Catalist under the book-entry (scripless) system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and Warrants and if applicable, the excess Rights Shares and Warrants that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept the Rights Shares with Warrants and/or apply for the excess Rights Shares with Warrants and have their Rights Shares and Warrants credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) or who have provided incorrect or invalid Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in the Securities Accounts currently maintained with CDP will be issued physical Share certificates and Warrant certificates in their own names for the Rights Shares with Warrants allotted to them and if applicable, the excess Rights Shares with Warrants allotted to them. Such physical Share certificates and Warrant certificates, if issued, will be forwarded to them by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be prima facie evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from the address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical Share or Warrant certificate(s), or an Entitled Scripholder who has not deposited his Share or Warrant certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit with CDP the respective certificates, together with the duly executed instruments of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares with Warrants and/or existing Shares, as the case may be, before he can effect the desired trade.

TRADING

In the event that permission is not granted by the SGX-ST for the listing and quotation of the Warrants due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Rights cum Warrants Issue. Pursuant to the Catalist Rules, SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 Warrantholders for a class of company warrants. Accordingly, holders of Warrants will not be able to trade their Warrants on the SGX-ST if there is an insufficient spread of holdings for the Warrants. However, if a holder of Warrants were to exercise his Warrants in accordance with the Deed Poll, the Warrant Shares arising therefrom will be listed and quoted on the Catalist.

3. Trading of Odd Lots

Entitled Depositors who wish to trade all or part of their “nil-paid” Rights on SGX-ST should note that the “nil-paid” Rights will be tradable in board lots, each board lot comprising provisional allotment of 100 Rights, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST’s unit share market. Such Entitled Depositors may start trading in their “nil-paid” Rights as soon as dealing therein commences on SGX-ST.

Following the Rights cum Warrants Issue, Shareholders who hold odd lots of the Shares and who wish to trade in odd lots on the SGX-ST will be able to do so on the SGX-ST’s unit share market. The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST’s unit share market.

4. Trading of Shares of Companies listed on Catalist

Companies listed on the Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on the Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on the Catalist. Entitled Shareholders should be aware of the risks of subscribing for the Rights Shares with Warrants and should make the decision to subscribe for the Rights Shares with Warrants only after careful consideration and if appropriate, consultation with an independent financial adviser.

If a Warrantholder were to exercise his Warrants in accordance with the Deed Poll, the Warrant Shares arising therefrom will be listed and quoted on the Catalist.

EXCHANGE RATES

Singapore Dollars

The exchange rate between US\$ and S\$ as at the Latest Practicable Date is US\$1.00 to S\$1.365.

The table below sets out, for each of the financial years and period included, the average and closing exchange rates between US\$ and S\$. The average exchange rate is calculated by using the average of the exchange rates on the last day of each month during each financial year/period. Where applicable, the exchange rates in this table are used for the translation of our Group's financial statements disclosed elsewhere in this Offer Information Statement.

	US\$1.00 : S\$	
	Average ⁽¹⁾	Closing ⁽¹⁾
FY2015	1.372	1.411
FY2016	1.378	1.447
FY2017	1.385	1.338

Note:

- (1) The above exchange rates have been quoted or calculated with reference to exchange rates quoted from <https://www.x-rates.com> which has not provided its consent, for the purposes of Section 249 of the SFA, to the inclusion of the information extracted from the relevant reports and is therefore not liable for such information under Sections 253 and 254 of the SFA. While we have taken reasonable actions to ensure that the information is extracted accurately and fairly from such reports, and has been included in this Offer Information Statement in its proper form and context, neither we nor any party has conducted an independent review of the information contained in such reports nor verified the accuracy of the contents of the relevant information.

The above exchange rates should not be construed as representations that the US\$ amounts actually represent such S\$ amounts or could be converted into S\$, at the rates indicated, at any other rate or at all.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and future prospects of the Group’s industry are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements.

The Group’s actual results may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be discussed in those statements.

Further, the Company disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, but before the Closing Date and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via SGXNet and, if required, lodge a supplementary or replacement document with the SGX-ST, acting as agent on behalf of the Authority. The Company is also subject to the provisions of the Catalist Rules regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary shares of public companies including the Company. Unless exempted, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30% to 50% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1% in the Company in any 6-month period, must extend a take-over offer for the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In general the acquisition of instruments convertible into securities which carry voting rights does not give rise to an obligation to make a mandatory take-over offer under the Code but the exercise of any conversion rights will be considered an acquisition of voting rights for the purpose of the Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Rights Shares with Warrants pursuant to the Rights cum Warrants Issue or the acceptance of the provisional allotment of Rights Shares with Warrants or the application for excess Rights Shares with Warrants or the exercise of Warrants, should consult the Securities Industry Council and/or their professional advisers.

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any Entitled Shareholders (if such Entitled Shareholder chooses to subscribe for its *pro rata* Rights Shares with Warrants entitlement) to avoid placing the relevant Entitled Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully.

**DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE
SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND
DEBENTURES) REGULATIONS 2005**

PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.
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Directors	Address
Mr. Ang Boon Cheow Edward (Executive Chairman and Chief Executive Officer)	: 29 Tuas South Street 1 Singapore 638036
Mr. Chia Yau Leong (Executive Director)	: 29 Tuas South Street 1 Singapore 638036
Mr. Chua Keng Hiang (Lead Independent Director)	: 29 Tuas South Street 1 Singapore 638036
Mr. Ng Ya Ken (Independent Director)	: 29 Tuas South Street 1 Singapore 638036
Ms. Tan Min-Li (Independent Director)	: 29 Tuas South Street 1 Singapore 638036
Mr. Chia Boon Kuah (Independent Director)	: 29 Tuas South Street 1 Singapore 638036

Advisers

2. Provide the names and addresses of:
- (a) the issue manager to the offer, if any;
 - (b) the underwriter to the offer, if any; and
 - (c) the legal adviser for or in relation to the offer, if any.
-

Manager to the Rights cum Warrants Issue	: UOB Kay Hian Private Limited 8 Anthony Road #01-01 Singapore 229957
Underwriter to the Rights cum Warrants Issue	: Not applicable as the Rights cum Warrants Issue is not underwritten
Legal Adviser in relation to the Rights cum Warrants Issue	: Bird & Bird ATMD LLP 2 Shenton Way #18-01 SGX Centre 1 Singapore 068804

**DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE
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Registrars and Agents

- 3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.**
-

Share Registrar, Share Transfer Office and Warrant Agent : Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Receiving Banker : Bank of East Asia Limited, Singapore Branch
60 Robinson Rd, BEA Building
Singapore 068892

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PART III – OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. For each method of offer, state the number of securities being offered.

Method of Offer	:	Renounceable non-underwritten rights issue of Rights Shares with free detachable Warrants
Basis of Allotment	:	one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given with every one (1) Rights Share subscribed, fractional entitlements to be disregarded
Number of Rights Shares	:	Up to 162,470,151 Rights Shares
Number of Warrants	:	Up to 162,470,151 Warrants
Issue Price	:	The issue price of S\$0.062 per Rights Share represents a discount of approximately 26.2% to the last traded price of S\$0.084 per Share for Shares traded on Catalist on 21 May 2018, being the last Market Day before the Announcement
Status of the Rights Shares	:	The Rights Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares

Method and Timetable

- 2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –**
- (a) the offer procedure; and**
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**
-

Please refer to paragraphs 3 to 7 of this Part III.

- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**
-

Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement.

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The procedures for, and the terms and conditions applicable to, the acceptance, renunciation and/or sale of the provisional allotments of Rights Shares with Warrants and the application for excess Rights Shares with Warrants, including the different modes of acceptances or application and payment, are contained in **Appendices B, C and D** of this Offer Information Statement and in the PAL, the ARE and the ARS.

As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may upon consultation with its advisers and with the approval of the SGX-ST, the Sponsor and/or CDP, modify the timetable subject to any limitation under any applicable laws. In such event, the Company will publicly announce any modification through an SGXNet announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Rights Shares with Warrants are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares are contained in **Appendices B, C and D** to this Offer Information Statement and in the PAL, the ARE and the ARS.

Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement for the last date and time for payment for the Rights Shares with Warrants and, if applicable, excess Rights Shares with Warrants.

5. State, where applicable, the methods of and time limits for –

- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) the book-entry transfers of securities being offered in favour of subscribers or purchasers.**
-

The Rights Shares with Warrants will be provisionally allotted to the Entitled Shareholders on or about 16 July 2018 by crediting the provisional allotments into the Securities Accounts of the respective Entitled Depositors or through the despatch of the relevant PALs to the Entitled Scripholders, based on their respective shareholdings in the Company as at the Books Closure Date.

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications of excess Rights Shares with Warrants and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, Share certificate(s) and Warrant certificate(s) representing such number of Rights Shares and Warrants will be sent to such Entitled Shareholders by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form(s) comprised in the PAL) with valid acceptances and successful applications for excess Rights Shares with Warrants, Share certificate(s) representing such number of Rights Shares will be sent to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their

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relevant Securities Accounts. CDP will then send to the relevant subscribers, at their own risk, within fourteen (14) days, a notification letter stating the number of Rights Shares credited to their Securities Accounts.

Please refer to **Appendices B, C and D** to this Offer Information Statement and the PAL, the ARE and the ARS for further details.

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- 6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**
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Not applicable. No pre-emptive rights have been offered.

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- 7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**
-

Results of the Rights cum Warrants Issue

The Company will publicly announce the results of the allotment or the allocation of the Rights Shares with Warrants, as soon as it is practicable after the Closing Date through a SGXNet announcement to be posted on the internet at the SGX-ST website <http://www.sgx.com>.

Manner of Refund

In the case of applications for excess Rights Shares with Warrants, if a Shareholder applies for excess Rights Shares with Warrants but no excess Rights Shares with Warrants are allotted to that Shareholder, or if the number of excess Rights Shares with Warrants allotted to that Shareholder is less than the number applied for, or when any acceptance for Rights Shares with Warrants and/or (if applicable) Excess Application with Warrants is invalid or unsuccessful, the amount paid on application, or the surplus application monies, as the case may be, will be refunded to the relevant Shareholder by CDP on behalf of the Company without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date, by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through Electronic Applications through an ATM, by crediting the relevant Shareholder's bank account with the relevant Participating Bank at the Shareholder's own risk, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder;
- (b) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the Shareholder's risk to the Shareholder's mailing address as recorded with the Share Registrar; and/or
- (c) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at the relevant Shareholder's own risk to the Shareholder's mailing address as maintained with CDP or in such other manner as the relevant Shareholder may have agreed with CDP for the payment of any cash distributions, as the case may be.

The details of refunding excess amounts paid by applicants are contained in **Appendices B, C and D** of this Offer Information Statement and in the PAL, the ARE and the ARS.

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PART IV – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
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Please refer to paragraphs 2 to 7 of this Part IV.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.
-

For illustration purposes only, based on the Existing Share Capital and assuming that (a) no new Shares are issued on or prior to the Books Closure Date; and (b) all the Entitled Shareholders subscribe in full and pay for their *pro rata* entitlements of Rights Shares with Warrants (the “**Maximum Subscription Scenario**”), and subsequently exercise all their Warrants, the Company will issue 162,470,151 Rights Shares and 162,470,151 Warrant Shares under the Rights cum Warrants Issue.

For illustration purposes only, based on the Existing Share Capital and assuming that (i) none of the other Entitled Shareholders apart from the Undertaking Shareholder subscribes for their *pro rata* entitlements of Rights Shares and/or applies for excess Rights Shares; and (ii) the Undertaking Shareholder only subscribes for his Undertaking Shares (as defined below) pursuant to the Letter of Undertaking under the Rights cum Warrants Issue (“**Minimum Subscription Scenario**”), and subsequently exercise all his Warrants, up to 92,720,270 Rights Shares and 92,720,270 Warrant Shares will be issued under the Rights cum Warrants Issue.

The net proceeds arising from the allotment and issuance of all the Rights Shares (including the proceeds from the exercise of the Warrants), after deducting estimated costs and expenses of S\$250,000 relating to the Rights cum Warrants Issue under both the Maximum Subscription Scenario and Minimum Subscription Scenario, are as follows:

	Maximum Subscription Scenario	Minimum Subscription Scenario
Net proceeds (after deducting estimated costs and expenses of S\$250,000 relating to the Rights cum Warrants Issue)	S\$9.82 million	S\$5.50 million
Total net proceeds including additional proceeds arising from the exercise of all the Warrants	S\$20.87 million	S\$11.80 million

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3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses.**

Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.

The Company is undertaking the Rights cum Warrants Issue to strengthen the financial position and capital base of the Group. The Rights cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company. The net proceeds arising from the allotment and issuance of the Rights Shares (taking into account the proceeds from the exercise of the Warrants) will be fully used towards expanding the business of the Group, financing business ventures through acquisitions and/or strategic investments in projects and land development.

Pending the deployment of the net proceeds raised from the Rights cum Warrants Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, or used for investment in short-term loan related instruments, as the Directors may deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of the proceeds from the Rights cum Warrants Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights cum Warrants Issue in the interim and full year financial statements issued pursuant to Rule 705 of the Catalist Rules and in the annual report(s) of the Company, until such time the proceeds have been fully utilised.

For the purposes of Rule 814(1)(e) of the Catalist Rules, (i) the Directors are of the opinion that, after taking into consideration the Group's present banking facilities, the working capital available to the Group is sufficient to meet its present requirements and Rights cum Warrants Issue is being undertaken for the foregoing reason, and (ii) consequently, they are of the opinion that, after taking into consideration the Group's present bank facilities and the net proceeds of the Rights cum Warrants Issue, the working capital available to the Group is sufficient to meet its present requirements.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights cum Warrants Issue. Hence, in view of the above and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**
-

Based on the intended use of proceeds as described in paragraph 3 of this Part IV above, for each dollar of the gross proceeds from the Rights cum Warrants Issue (including the gross proceeds from the exercise of the Warrants), the estimated amount that will be allocated for the intended

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uses and payment of cost and expenses incurred in relation to the Rights cum Warrants Issue are as follows:

Intended Use	Per S\$ of gross proceeds	
	Maximum Subscription Scenario	Minimum Subscription Scenario
Expansion of the Group's business, financing business ventures through acquisitions and/or strategic investments in projects and land development.	0.99	0.98
Cost and expenses	0.01	0.02
Total	1.00	1.00

-
- 5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**

As stated in paragraphs 3 and 4 above, it is intended that the net proceeds raised from the Rights cum Warrants Issue will be used to fund the Company's expansion of the business of the Group, financing business ventures through acquisitions and/or strategic investments in projects and land development. As at the Latest Practicable Date, the Company has no definite intention to use the proceeds to be raised by the Rights cum Warrants Issue, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

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- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**

Please refer to paragraph 5 of this Part IV.

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- 7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

Save for the payment of expenses incurred in relation to the Rights cum Warrants Issue, no material part of the proceeds from the Rights cum Warrants Issue will be used to discharge, reduce or retire any indebtedness of the Group.

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8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

Not applicable. The Rights cum Warrants Issue is not underwritten and no underwriter has been appointed in relation to the Rights cum Warrants Issue.

Information on the Relevant Entity

9. Provide the following information:

- (a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office)

Registered address	:	29 Tuas South Street 1 Singapore 638036
Principal Place of Business	:	Same as registered address
Tel	:	(65) 6789 9988
Fax	:	(65) 6789 9933

- (b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group

The current core business of the Group is that of civil engineering, construction and related services business ("**Construction and Engineering Business**"), the business of property development, investment and management ("**Real Estate Business**"), and the business of investing in companies and other entities through equity, securities and other instruments such as bonds or convertible bonds, and investing in quoted and/or unquoted securities and instruments such as, without limitation, debentures, stocks, shares, funds and bonds. ("**Investment Business**").

- (c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or
- (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published
-

The general development of the business of the Group in the three (3) most recent completed financial years up to the Latest Practicable Date is set out below. Shareholders are advised to refer to the related announcements released by the Company via SGXNet for further details.

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Date	Significant Developments
FY2015	
5 January 2015	: The Company announced that it had entered into a non-binding memorandum of understanding in relation to the proposed acquisition of the entire equity interest in Link (THM) Holdings Pte. Ltd. (the " Link Acquisition ").
25 March 2015	: The Company announced that (i) it had entered into a conditional sale and purchase agreement in respect of the Link Acquisition (the " Link SPA "), and (ii) the Company proposed a consolidation of every two (2) Shares into one (1) Share, fractional entitlements to be disregarded (the " 2015 Share Consolidation ").
28 April 2015	: The Company obtained Shareholder's approval for the renewal of share purchase mandate, the renewal of share issue mandate, and the authority to grant options and issue shares pursuant to the Ocean Sky Share Option Scheme at the Company's AGM.
29 May 2015	: The Company announced that its dormant wholly-owned subsidiary, Bloom Time Services (SG) Pte. Ltd. (" BTSS "), a company incorporated in Singapore, had received confirmation from the Accounting and Corporate Regulatory Authority (" ACRA ") that BTSS has been struck off from the register.
27 July 2015	: The Company announced that its dormant indirect wholly-owned subsidiary, Suintex Manufacturing Pte Ltd, a company incorporated in Singapore, had been wound up by way of member's voluntary liquidation.
12 August 2015	: The Company announced that its wholly-owned dormant subsidiary, Eng Soon Garments Sdn Bhd, a company incorporated in Malaysia, had been wound up by way of member's voluntary liquidation.
30 September 2015	: The Company announced that its dormant wholly-owned subsidiary, Ocean Star Apparel (Guangzhou) Pte Ltd, a company incorporated in People's Republic of China, had been wound up by way of member's voluntary liquidation.
FY2016	
27 February 2016	: The Company announced its intention to undertake the proposed transfer of the listing of the Company from the Mainboard of the SGX-ST to Catalist (the " Proposed Transfer "). The Company also announced that the SGX-ST had on 26 February 2016 approved the extension of time for the first quarterly review of the Company's compliance with the minimum trading price requirements to 1 September 2016.

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- 25 March 2016 : The Company announced that the long stop date in respect of the Link SPA had lapsed and the Link SPA was terminated therefore.
- 26 April 2016 : The Company obtained Shareholders' approval for renewal of share purchase mandate and share issue mandate at the Company's AGM.
- 1 August 2016 : The Company received approval in-principle from the SGX-ST for the Proposed Transfer.
- 29 August 2016 : The Company obtained Shareholder's approval for (i) the Proposed Transfer, and (ii) the share issue mandate in accordance with Section 161 of the Companies Act and Rule 806(2) of the Catalist Rules.
- 1 September 2016 : Commencement of trading of Shares on Catalist.
- 21 September 2016 : The Company announced that it had entered into a conditional sale and purchase agreement (the "**ATS SPA**") on 21 September 2016 for the proposed acquisition of the remaining 70% of the issued and paid-up share capital of Ang Tong Seng Brothers Enterprises Pte Ltd ("**ATS**") not already held by the Company (the "**ATS Acquisition**"). Pursuant to the ATS SPA, the consideration of approximately S\$22.8 million was to be satisfied in full by cash payment of S\$9.6 million and the issue of 100,219,780 Shares in respect of the balance amount of approximately S\$13.2 million (the "**Consideration Shares**").
- The Company also announced the proposed share consolidation (the "**2016 Share Consolidation**") of every two (2) existing Shares into one (1) Share (the "**Consolidated Share**").
- 28 September 2016 : The Company changed its registered office and business address from 300 Tampines Avenue 5, #09-05 Income @ Tampines Junction, Singapore 529653 to 17 Tuas View Close, Singapore 637484.
- 14 October 2016 : The Company received the listing and quotation notice from the SGX-ST for the listing and quotation of the Consolidated Shares and Consideration Shares.
- 21 November 2016 : The Company obtained Shareholders' approval for (i) the ATS Acquisition, (ii) the 2016 Share Consolidation, and (iii) the issue of the Consideration Shares, at the EGM convened.
- 30 November 2016 : The Company announced that the 2016 Share Consolidation had completed. The Company also announced that the ATS Acquisition had completed, with the Consideration Shares to be listed and quoted on the Catalist on 2 December 2016.

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FY2017

- 2 March 2017 : The Company changed its registered office and business address from 17 Tuas View Close, Singapore 637484 to 29 Tuas South Street 1, Singapore 638036.
- 6 March 2017 : The Company incorporated a new wholly-owned subsidiary in Singapore known as Pacific Sky Investment Pte Ltd (“**PSIPL**”).
- 13 March 2017 : The Company incorporated a new wholly-owned subsidiary in Singapore known as Atlantic Sky Investment Pte Ltd.
- 12 April 2017 : The Company announced that its wholly-owned subsidiary, PSIPL had entered into a joint venture agreement with C.I.A.C Investment Ltd (“**CIAC**”) and Centra Properties Pte. Ltd. (“**CPPL**”) on 12 April 2017 for the purpose of jointly developing and/or acquiring, owning and managing a proposed 71 units of shop house development project located in Kandal Province, Cambodia, on a freehold land area of approximately 9,185 square metres owned by CIAC.
- 27 April 2017 : The Company obtained Shareholder’s approval for renewal of share purchase mandate and share issue mandate at the Company’s AGM.
- 25 May 2017 : The Company announced that it had, on 24 May 2017, exercised the option to acquire a 999-year leasehold property at 6 Nim Drive, Singapore 807650 (“**Property Acquisition**”).
- 9 June 2017 : The Company had incorporated a new wholly-owned subsidiary known as Arctic Sky Investment Pte Ltd (“**ASIPL**”).
- 3 July 2017 : The Company announced that it had increased its investment in its wholly-owned subsidiary, Atlantic Sky Investment Pte Ltd from S\$1.00 to S\$1,000,000.00 by subscribing for an additional 999,999 ordinary shares at an issue price of S\$1.00 each, fully paid.
- 17 July 2017 : The Company announced that its wholly-owned subsidiary, ASIPL, had, on 17 July 2017, entered into a joint venture agreement with Yuan Ching Development Pte Ltd (“**YCDPL**”), a wholly-owned subsidiary of Tiong Seng Holdings Limited, pursuant to which ASIPL will subscribe for 400,000 ordinary shares at an issue price of S\$1.00 each, fully paid, in the capital of TSky Development Pte Ltd (“**TSky Development**”), representing 40% of the issued and paid-up share capital of TSky Development (the “**TSky Acquisition**”).
- 24 August 2017 : The Company announced that the Property Acquisition had been completed.

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- 28 August 2017 : The Company announced that TSky Development had entered into a sale and purchase agreement on 25 August 2017 for the acquisition of the properties at 17 Balmoral Road (Lot 138C of Town Subdivision 26) and Lot 99899P of Town Subdivision 26 (the “**Balmoral Site Acquisition**”).
- 27 September 2017 : The Company and Suntex Investment Co., Ltd. (“**Suntex Investment**”), a wholly-owned subsidiary of the Company, had entered into a conditional sale and purchase agreement dated 27 September 2017 (the “**Disposal SPA**”) with Greystone Investment Co., Ltd. (the “**Greystone**”) and Luen Thai Holdings Limited (“**Luen Thai**”), pursuant to which Greystone agreed to purchase from Suntex Investment a parcel of freehold land in Cambodia (the “**Investment Property**”) for a consideration of US\$22 million, upon the terms and conditions of the Disposal SPA (the “**Proposed Disposal**”).
- 16 October 2017 : The Company announced TSky Development, had incorporated a new subsidiary company, TSky Balmoral Pte Ltd (“**TSky Balmoral**”), with a paid-up capital of S\$10.00 comprising 10 ordinary shares to undertake the redevelopment of the properties at 17 Balmoral Road (Lot 138C of Town Subdivision 26 and Lot 99899P of Town Subdivision 26) (the “**Balmoral Redevelopment**”). The Balmoral Redevelopment will be undertaken by TSky Development with two other joint venture partners, namely Progen Industrial Pte Ltd (“**Progen**”) and Seacare Property Development Pte Ltd (“**Seacare**”).
- 6 November 2017 : The Company announced that TSky Development had, on 6 November 2017, entered into a joint venture agreement with Progen and Seacare in respect of the Balmoral Redevelopment.
- 7 November 2017 : The Company had obtained Shareholders’ approval in respect of the Proposed Disposal at the EGM convened.
- The Company also obtained Shareholder’s approval at the same EGM convened in respect of the Company’s business diversification, pursuant to which the Company proposed to undertake the new business of investing in companies and other entities through equity, securities and other instruments such as bonds or convertible bonds, and investing in quoted and/or unquoted securities and instruments such as, without limitation, debentures, stocks, shares, funds and bonds.
- 25 November 2017 : The Company announced the completion of the Balmoral Site Acquisition.
- 22 December 2017 : The Company announced the completion of the Proposed Disposal.

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From 1 January 2018 to the Latest Practicable Date

- 3 January 2018 : The Company announced that it had incorporated (i) a new wholly-owned subsidiary in Singapore known as Ocean Sky Properties Pte Ltd with its principal activity in investment holding, and (ii) a new wholly-owned indirect subsidiary in Singapore known as Ang Tong Seng Trading Pte Ltd with its principal activity in wholesale and leasing of construction-related machinery, equipment, material and supplies.
- 2 April 2018 : The Company announced that TSky Development had entered into a sale and purchase agreement dated 29 March 2018 in respect of the acquisition of Cairnhill Heights at 16 Cairnhill Rise, Singapore 229744 (Lot TS27-751M).
- 30 April 2018 : The Company obtained Shareholder's approval for renewal of share purchase mandate and share issue mandate at the Company's AGM.
- 8 May 2018 : The Company announced that TSky Development had incorporated a new subsidiary company, TSky Cairnhill Pte Ltd ("**TSky Cairnhill**"), with a paid-up capital of S\$200.00 comprising 200 ordinary shares to undertake the redevelopment of the properties at 16 Cairnhill Rise, Singapore 229744 (Lot TS27-751M) (the "**Cairnhill Redevelopment**"). The Cairnhill Redevelopment will be undertaken by TSky Development with three other joint venture partners, namely Ocean City Global Limited ("**Ocean City**"), Seacare and Min Ghee Investment (2018) Pte Ltd ("**Min Ghee**").
- 9 May 2018 : The Company announced that TSky Development had, on 8 May 2018, entered into a joint venture agreement with Ocean City, Seacare and Min Ghee in respect of the Cairnhill Redevelopment.
- 22 May 2018 : The Company announced that it was undertaking the Rights cum Warrants Issue.
- 5 June 2018 : The Company announced that it had, on 4 June 2018, obtained the listing and quotation notice from the SGX-ST for the listing and quotation of Rights Shares, Warrants and Warrant Shares.
- 29 June 2018 : The Company announced that the register of members and share transfer books of the Company will be closed at 5.00 p.m. on 12 July 2018 for the purpose of determining the provisional allotments of Rights Shares with Warrants under the Rights cum Warrant Issue to Entitled Shareholders.

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- (d) **the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –**
- (i) **in the case of the equity capital, the issued capital; or**
- (ii) **in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon**
-

As at the Latest Practicable Date, the Company's equity capital and loan capital are as follows:

Issued and paid-up share capital : S\$58,092,235.42 divided into 324,940,302 Shares (excluding treasury shares)

Loan capital : Not applicable.

- (e) **where:**
- (i) **the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**
- (ii) **the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date**
-

As at the Latest Practicable Date, based on the information in the Register of Substantial Shareholders maintained by the Company pursuant to the Companies Act, the Substantial Shareholders of the Company and the number of Shares in which they have an interest are as follows:

Substantial Shareholder(s)	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Ang Boon Chong ⁽¹⁾	–	–	31,847,044	9.80
Ang Boon Cheow Edward	185,440,541	57.07	–	–

Note:

- (1) Ang Boon Chong is the brother of Mr. Ang Boon Cheow Edward and is deemed interested in 31,847,044 shares of which 31,847,044 shares are owned by Ang Boon Chong and registered in the name of Raffles Nominees (Pte) Limited.

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- (f) **any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group**
-

As at the date of this Offer Information Statement, the Directors are not aware that the Company or any of its Subsidiaries is engaged in any legal or arbitration proceedings (including those which are pending or known to be contemplated) which may have, or which have had in the twelve (12) months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

- (g) **where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**
- (i) **if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
- (ii) **if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests**
-

The Company has not issued any securities or equity interests within the 12 months immediately preceding the Latest Practicable Date.

- (h) **a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**
-

Save as disclosed below, neither the Company nor any of its subsidiaries has entered into any material contract (not being a contract entered into the ordinary course of business) during the period of two (2) years immediately preceding the date of lodgement of this Offer Information Statement:-

- (i) the ATS SPA dated 21 September 2016 between the Company, Mr Ang Boon Cheow Edward and Mr Wong Siew Hui in relation to the ATS Acquisition for a consideration of S\$22.8 million;
- (ii) the joint venture agreement dated 12 April 2017 between the Company's wholly-owned subsidiary, PSIPL, and CIAC and CPPL, pursuant to which each of PSIPL, CIAC and CPPL contributed US\$750,000 to the joint venture company by way of capital injection and shareholder's loan;

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- (iii) the joint venture agreement dated 17 July 2017 between the Company's wholly-owned subsidiary, ASIPL, and YCDPL, pursuant to which ASIPL will subscribe and pay in full for 400,000 ordinary shares at an issue price of S\$1.00 each in TSky Development, representing 40% of the issued and paid up share capital of TSky Development;
- (iv) the Disposal SPA dated 27 September 2017 between the Company, Suntex Investment, Luen Thai and Greystone, pursuant to which Greystone agreed to purchase from Suntex Investment the Investment Property for a consideration of US\$22 million;
- (v) the joint venture agreement dated 6 November 2017 between TSky Development, a joint venture entity which the Group holds 40.0% interest in, Progen and Seacare in relation to the Balmoral Redevelopment, pursuant to which TSky Development shall (a) subscribe for shares in TSky Balmoral amounting to S\$1,400,000 and representing 70% of the share capital of TSky Balmoral, and (b) provide additional fund amounting to approximately S\$24.5 million; and
- (vi) the joint venture agreement dated 8 May 2018 between TSky Development, Ocean City, Seacare and Min Ghee in relation to the Cairnhill Redevelopment, pursuant to which TSky Development shall (a) subscribe for shares in TSky Cairnhill amounting to S\$1,020,000 and representing 51% of the share capital of TSky Cairnhill, and (b) provide additional fund amounting to approximately between S\$14.3 million and S\$16.8 million.

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PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from –

- (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
- (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

The audited consolidated income statements of the Group for FY2015, FY2016 and FY2017 and the unaudited consolidated statement of comprehensive income of the Group for 1Q2018 are set out below:

	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>1Q2018</u>
	US\$'000 Audited	US\$'000 Audited	US\$'000 Audited	S\$'000 Unaudited
Revenue	720	2,376	20,731	6,409
Cost of works	–	(1,793)	(17,927)	(5,327)
Gross profit	720	583	2,804	1,082
Other items of income				
Other income	34	2,733	9,321	8
Other items of expenses				
Administrative and other operating expenses	(2,916)	(2,679)	(6,692)	(872)
Finance costs	(3)	(37)	(201)	(74)
Share of results of associate, net of tax	687	752	–	–
Share of results of joint ventures, net of tax	–	–	(17)	(19)
(Loss)/Profit before income tax	(1,478)	1,352	5,215	125
Income tax expense	(290)	(493)	(1,652)	(77)
(Loss)/Profit for the financial year/period attributable to the owners of the parent	(1,768)	859	3,563	48
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
- Exchange differences on translating foreign operations	(131)	(714)	1,570	(502)

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	FY2015	FY2016	FY2017	1Q2018
	US\$'000 Audited	US\$'000 Audited	US\$'000 Audited	S\$'000 Unaudited
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
- Gain on revaluation of property	-	-	88	-
<i>Reclassification to profit or loss from foreign currency translation reserve:</i>				
- Liquidation of foreign subsidiary	546	-	-	-
- Deemed disposal of associate	-	384	-	-
Other comprehensive loss for the financial year/period, net of tax	415	(330)	1,658	(502)
Total comprehensive income for the financial year/period attributable to the owners of the parent	(1,353)	529	5,221	(454)
Dividends per share (US cents/cents)	-	-	-	-
Adjusted dividends per share (US cents/cents)	-	-	-	-

For illustrative purposes only, the following is an analysis of the financial effects of the Rights cum Warrants Issue on the consolidated earnings/(loss) per Share of the Group, based on the audited consolidated income statements of the Group for FY2015, FY2016 and FY2017 and the unaudited consolidated statement of comprehensive income of the Group for 1Q2018:

Earnings/(loss) per share before the Rights cum Warrants Issue				
- Basic and diluted (in US cents/cents) ¹	(0.54)	0.26	1.10	0.02
<i>Assuming Maximum Subscription Scenario:</i>				
(a) Earnings/(loss) per share after adjusting for the Rights cum Warrants Issue but before exercise of the Warrants				
- Basic and diluted (in US cents/cents) ¹	(0.36)	0.18	0.73	0.01
(b) Earnings/(loss) per share after adjusting for the Rights cum Warrants Issue and exercise of the Warrants				
- Basic and diluted (in US cents/cents) ¹	(0.27)	0.13	0.55	0.01

Note:

- The effects of the 2016 Share Consolidation and the Consideration Shares for the ATS Acquisition which occurred in 2016 have been assumed to have been effected at the beginning of FY2015.

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2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:
- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

Please see paragraph 1 of this Part V.

3. In respect of –
- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and
 - (b) any subsequent period for which interim financial statements have been published,
- provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

Save as disclosed below and in this Offer Information Statement, the Directors are not aware of any significant factor, including any unusual or infrequent event or new development which materially affected profit or loss before tax of the Group. A summary of the operations, business and financial performance of the Group for FY2015, FY2016, FY2017 and 1Q2018 is set out below:

FY2015 vs FY2014

The Group recorded a consistent revenue of US\$0.72 million for the FY2015 as compared to the preceding FY2014. The Group's revenue consisted of rental income from land leasing during the financial year.

Other income decreased to US\$0.03 million for FY2015 from US\$2.75 million for FY2014, due mainly to the recognition of fair value gain on investment property in FY2014.

For FY2015, administrative and other operating expenses increased by 124.1% to US\$2.92 million from US\$1.30 million for FY2014. The increase was due mainly to reclassification of cumulative exchange loss from currency translation reserve on winding up of foreign operations, recognition of fair value loss on investment property, underprovision of prior years' property tax on investment property, professional fees in relation to the proposed acquisition of Link (THM) Holdings Pte Ltd and provision for tax penalties and interest on reassessed income taxes of a subsidiary in Cambodia, for which an objection has been lodged and the case is still pending.

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The share of results of associate increased 10.5% from US\$0.62 million for FY2014 to US\$0.69 million for FY2015, due mainly to the increased revenue which was partially offset by higher labour costs.

Income tax expenses decreased to US\$0.29 million for FY2015 from US\$0.62 million for FY2014. This was mainly attributable to higher income tax payable for fair value gain on investment property in FY2014, which was partially offset by an underprovision of income taxes in prior years of the subsidiary in Cambodia, for which an objection has been lodged and the case is still pending.

Overall, the Group registered a loss after income tax of US\$1.77 million for FY2015 as compared to the loss after income tax of US\$0.46 million for FY2014.

FY2016 vs FY2015

The Group recorded a revenue of US\$2.38 million for FY2016 compared with US\$0.72 million in FY2015. The increase of approximately US\$1.66 million or 230.0% and together with the cost of works of US\$1.79 million incurred, were contributed by the Group's newly acquired civil engineering and construction business, ATS which was previously a 30%-owned associated company. The acquisition was completed on 30 November 2016.

The Group's other income increased from US\$0.03 million for FY2015 to US\$2.73 million for FY2016 due mainly to the recognition of fair value gain on investment property in Cambodia for FY2016.

The Group saw a 8.1% decline to US\$2.68 million in administrative and other operating expenses for FY2016, as compared to US\$2.92 million a year ago. This was due mainly to one-off expenses incurred for FY2015, which included the reclassification of cumulative exchange loss from currency translation reserve on winding up of foreign operations, recognition of fair value loss on investment property, underprovision of prior years' property tax on investment property, and provision for tax penalties and interest. The FY2015 one-off expenses were partly offset by higher professional fees incurred for corporate exercises, loss on deemed disposal of associate and expenses relating to the Group's newly acquired civil engineering and construction business for FY2016.

The share of results of the associate increased 9.5% from US\$0.69 million for FY2015 to US\$0.75 million for FY2016 up to November 2016, due mainly to lower operating expenses incurred by ATS. There will be no further share of results of associate following the completion of the acquisition of ATS.

Income tax expenses increased to US\$0.49 million for FY2016 from US\$0.29 million for FY2015 due mainly to higher income tax payable on investment property for the fair value gain recognised in FY2016.

Overall, the Group registered a profit after income tax of US\$0.86 million for FY2016, compared with a loss after income tax of US\$1.77 million for FY2015.

FY2017 vs FY2016

The Group recorded a revenue of US\$20.73 million for FY2017 compared with US\$2.38 million in the FY2016. The increase of US\$18.35 million was due to the recognition of a full year's revenue in FY2017 from ATS, the Group's construction and engineering business following the completion of acquisition of the remaining 70% stake in ATS in November 2016, and a higher rental income from the lease of a Singapore factory cum office property as well as the recurring rental income from the land lease in Cambodia until its disposal on 22 December 2017.

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The recognition of the full year's cost of works for on-going projects under the Group's construction and engineering segment in FY2017 also increased by US\$16.13 million to US\$17.93 million.

The Group's US\$6.59 million increase in other income for FY2017 was due mainly to the recognition of one-off gain on disposal of investment property in Cambodia, offset by the absence of one-off recognition of fair value gain on the same investment property recorded in FY2016.

The Group saw a US\$4.01 million increase in administrative and other operating expenses to US\$6.69 million for FY2017 as compared to US\$2.68 million for FY2016. This was due mainly to higher amortisation expense pertaining to intangible assets previously recognised on outstanding construction contracts and higher expenses relating to the Group's construction and engineering segment due to the inclusion of full year expenses of ATS following its acquisition. The increase in administrative and other expenses also included warranty claims in relation to the disposed apparel business in 2013, tax advisory fees in relation to the above warranty claims as well as professional and agency fees incurred for the disposal of the investment property in Cambodia. The Group's administrative and other operating expenses were partly offset by write-back of overprovision of tax penalties and interest and the absence of one-off loss on deemed disposal of associate recorded in FY2016 because of remeasurement of the previously held 30% equity interest in ATS.

Finance costs increased from US\$0.04 million for FY2016 to US\$0.20 million for FY2017 with the inclusion of full year's expenses relating to the Group's construction and engineering segment incurred to finance the purchase of property, plant and equipment, as well as loan undertaken to finance the acquisition of development property at 6 Nim Drive, Singapore.

The share of results of joint venture was a loss of US\$0.02 million and there was no share of results of associate for FY2017 since the completion of ATS' acquisition.

Income tax expenses increased to US\$1.65 million for FY2017 from US\$0.49 million for FY2016 due mainly to income tax payable on the gain from disposal of investment property in Cambodia and on the full year profits from ATS.

As a result of the foregoing, the Group registered a profit after income tax of US\$3.56 million for FY2017, compared with a profit after income tax of US\$0.86 million for FY2016.

1Q2018 vs 1Q2017

The Group recorded a revenue of S\$6.41 million for the 3 months ended 31 March 2018 ("1Q2018") compared with S\$5.31 million recorded for previous corresponding period ended 31 March 2017 ("1Q2017"). The overall increase of S\$1.10 million was due mainly to higher volume of work performed and certified from the on-going projects of the Group's construction and engineering segment, partly offset by lower rental income from the real estate segment following the disposal of the investment property in Cambodia on 22 December 2017.

The cost of sales increased by S\$0.80 million to S\$5.33 million for 1Q2018 from S\$4.52 million for 1Q2017 due mainly to higher volume of work performed for the on-going projects of the Group's construction and engineering segment, partly offset by lower depreciation of plant and equipment as a number of motor vehicles had been fully depreciated in the financial year ended 31 December 2017.

Administrative and other operating expenses decreased by S\$0.17 million to S\$0.87 million for 1Q2018 from S\$1.04 million for 1Q2017, due mainly to the following:

- (a) lower depreciation of property, plant and equipment and amortisation of intangibles assets; and
- (b) foreign exchange gain for 1Q2018 as compared to foreign exchange loss for 1Q2017.

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Finance costs remained relatively comparable at S\$0.07 million for 1Q2018 and 1Q2017.

Share of results of joint venture for 1Q2018 was a loss of S\$0.02 million.

Income tax expense increased to S\$0.08 million for 1Q2018 from S\$0.02 million for 1Q2017 due mainly to lower write-back of deferred tax expenses.

As a result of the foregoing, the Group registered a profit after income tax of S\$0.05 million for 1Q2018, compared with a loss after income tax of S\$0.34 million for 1Q2017.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of–
- (a) the most recent completed financial year for which audited financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of financial position of the Group as at 31 December 2017 and unaudited consolidated statement of financial position of the Group as at 31 March 2018 are set out below:

	31 December 2017 US\$'000 Audited	31 December 2017 S\$'000 Restated	31 March 2018 S\$'000 Unaudited
Non-current assets			
Property, plant and equipment	8,195	10,965	10,795
Investment property	4,185	5,600	5,600
Goodwill	8,785	11,755	11,755
Intangible assets	219	293	168
Investment in subsidiaries	–	–	–
Investment in joint ventures	6,936	9,268	12,323
	28,320	37,881	40,641
Current assets			
Inventories	92	123	138
Development property	3,311	4,431	4,468
Due from customers for contract work	834	1,116	1,289
Trade and other receivables	9,950	13,312	12,689
Fixed deposit pledged	159	213	213
Cash and cash equivalents	20,914	27,983	21,326
	35,260	47,178	40,123

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	31 December 2017 US\$'000 Audited	31 December 2017 S\$'000 Restated	31 March 2018 S\$'000 Unaudited
Less:			
Current liabilities			
Trade and other payables	6,847	9,150	5,321
Provisions	301	402	627
Bank term loans	2,538	3,396	396
Finance lease payable	376	503	464
Income tax payable	2,438	3,262	3,291
	12,500	16,713	10,099
Net current assets	22,760	30,465	30,024
Less:			
Non-current liabilities			
Bank term loans	7,022	9,396	12,295
Finance lease payable	549	735	623
Deferred tax liabilities	93	125	111
	7,664	10,256	13,029
Net assets	43,416	58,090	57,636
Equity			
Share capital	36,522	48,866	48,866
Reserves	1,137	444	(547)
Retained earnings	5,757	8,780	9,317
Equity attributable to owners of the parent	43,416	58,090	57,636

For illustrative purposes only, the following is an analysis of the financial effects of the Rights cum Warrants Issue on the consolidated Net Asset Value (the "NAV") per Share of the Group, which is based on the audited consolidated financial statements of the Group as at 31 December 2017 and unaudited consolidated statement of financial position of the Group as at 31 March 2018:

Before Rights cum Warrants Issue			
Number of Shares	324,940,302	324,940,302	324,940,302
NAV per Share (US cents/cents)	13.36	17.88	17.74

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Assuming Maximum Subscription Scenario:

After the Rights cum Warrants Issue but before exercise of the Warrants

Number of Shares	487,410,453	487,410,453	487,410,453
NAV per Share (US cents/cents)	8.91	11.92	11.82

After the Rights cum Warrants Issue and exercise of the Warrants

Number of Shares	649,880,604	649,880,604	649,880,604
NAV per Share (US cents/cents)	6.68	8.94	8.87

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.
-

Please see paragraph 4 of this Part V.

Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of–
- (a) the most recent completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.
-

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- (a) The audited consolidated statement of cash flows of the Group for FY2017 and unaudited consolidated statement of cash flows of the Group for 1Q2018 are set out below:

	FY2017 US\$'000 Audited	1Q2018 S\$'000 Unaudited
Operating activities		
Profit before income tax	5,215	125
Adjustments for:		
Allowance for impairment of intangible assets	1	–
Depreciation of property, plant and equipment	1,186	207
Amortisation of intangible assets	419	125
Fair value loss in investment property	38	–
Gain on disposal of property, plant and equipment	(74)	–
Gain on disposal of investment property	(9,190)	–
Interest expense	201	74
Interest income	(9)	(8)
Provision for warranty claims	275	–
Provision for defects liabilities	226	–
Provision for defect liabilities written back	(216)	–
Property, plant and equipment written off	6	–
Unrealised foreign exchange loss	72	3
Share of results of joint ventures	17	19
Write-back of provision for penalties and interest	(247)	–
Operating cash flows before working capital changes	(2,080)	545
Working capital changes:		
Development Property	(3,200)	(37)
Inventories	(11)	(15)
Trade and other receivables	(1,239)	623
Trade and other payables	2,605	(3,829)
Due from customers for contract work	(784)	(173)
Provisions	(55)	224
Net cash used in operations	(4,764)	(2,662)
Interest paid	(201)	(74)
Income taxes paid	(554)	–
Net cash used in operating activities	(5,519)	(2,736)
Investing activities		
Purchase of property, plant and equipment	(200)	(36)
Proceeds from disposals of property, plant and equipment	89	–
Proceeds from disposal of investment property	17,560	–
Acquisition of equity interest in joint ventures	(392)	–
Advances to joint ventures	(6,467)	(3,093)
Interest received	9	8
Net cash generated from/ (used in) investing activities	10,599	(3,121)

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	FY2017 US\$'000 Audited	1Q2018 S\$'000 Unaudited
Financing activities		
Proceeds from borrowings	2,167	–
Repayments of borrowings	(301)	(100)
Repayments of finance lease obligations	(345)	(151)
Net cash generated from/(used in) financing activities	1,521	(251)
Net change in cash and cash equivalents	6,601	(6,108)
Cash and cash equivalents at beginning of financial year/period	14,121	27,983
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	192	(549)
Cash and cash equivalents at end of financial year/period	20,914	21,326

A review of the cash flow position for the Group for FY2017 is set out below:

The Group incurred net cash outflow from operating activities of US\$5.52 million due mainly to operating cash outflow before working capital changes of US\$2.08 million, net working capital outflow of US\$2.68 million and payment of income taxes and interest charges of US\$0.76 million. The net working capital outflow was due mainly to payment for the acquisition of property at 6 Nim Drive, Singapore and other expenses incurred for the development property.

The Group generated net cash inflow from investing activities of US\$10.60 million for FY2017 due mainly to proceeds from disposal of investment property in Cambodia, partly offset by cash paid for the investment in joint ventures and loans extended to the joint venture projects.

The net cash inflow from financing activities of US\$1.52 million due mainly to a new bank loan being undertaken to finance the land acquisition of 6 Nim Drive, Singapore, offset by repayment of bank borrowings and finance leases.

Overall, the Group's total cash and cash equivalents increased from US\$14.12 million as at 31 December 2016 to US\$20.91 million as at 31 December 2017.

A review of the cash flow position for the Group for 1Q2018 is set out below:

The Group incurred net cash outflow from operating activities of S\$2.74 million for 1Q2018 due mainly to operating profit before working capital changes of S\$0.55 million, net working capital outflow of S\$3.21 million and payment of interest charges of S\$0.08 million. Net working capital outflow was due mainly to payment to suppliers and accrued expenses of staff bonus for the financial year ended 31 December 2017, warranty claims and professional fees, partly offset by release of retention sum for completed projects.

The Group incurred net cash outflow from investing activities of S\$3.12 million for 1Q2018 due mainly to additional loan being extended to the joint venture project at 17 Balmoral Road.

The Group incurred net cash outflow from financing activities of S\$0.25 million for 1Q2018 due to repayment of bank borrowings and finance leases.

Overall, total cash and cash equivalents decreased from S\$27.98 million as at 31 December 2017 to S\$21.33 million as at 31 March 2018.

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7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**
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As at the date of lodgement of this Offer Information Statement, the Directors are of the reasonable opinion that, after taking into consideration the internal sources of funds available to the Group, the cash generated from the Group's business operations and the Group's present banking facilities, the working capital available to the Group is sufficient to meet its present requirements.

8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide—**
- (a) **a statement of that fact;**
 - (b) **details of the credit arrangement or bank loan; and**
 - (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
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To the best knowledge of the Directors, as at the date of lodgement of this Offer Information Statement, the Directors are not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity.

Trend Information and Profit Forecast or Profit Estimate

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**
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The Board of Directors believes that while the broader outlook for the construction and real estate industries is positive, the operating environment remains competitive over the next 12 months. Its views are underpinned by the following:

(a) Construction and Engineering Business

Based on advance estimates^{1,3} released by the Ministry of Trade and Industry Singapore on 13 April 2018, the Singapore construction sector contracted by 4.4% year-on-year in the first quarter of 2018. This came after a 5.0% decline in the previous quarter, as both the private and public sector construction activities remained weak. On a brighter note, the construction sector grew 4.1% quarter-on-quarter in the first quarter of 2018, reversing three previous quarters of contraction.

While the government's support of the local construction industry through various building projects and civil engineering works augurs well for the sector, the competitive bidding for projects among construction firms are showing no signs of easing any time soon. Operationally, escalating business costs and skilled manpower shortages are persisting as key challenges for the construction industry.

Against this backdrop, the Group is staying focused on driving productivity across its entire business spectrum by identifying and developing more efficient and streamlined work processes and reducing operational wastages.

(b) Real Estate Business

Cambodia

Construction work to develop the first phase of the 71-unit joint venture shop house project, Project Eco Garden Mall, is currently in progress. The Group expects the sales launch of the project's first phase to be in the second quarter of 2018.

Singapore

Singapore's private housing market prospects are bullish, according to The Straits Times in its article^{2,3} "Private home prices rise 3.9% in Q1" published on 28 April 2018. The sector recorded a quarter-on-quarter gain of 3.9% in the first quarter, the steepest since the second quarter of 2010.

The private residential property market looks set to remain supported by strong demand from buyers seeking replacement homes and foreign home buyers as well as continuous collective sales in the market.

The Group has announced previously on 2 April 2018 that its 40% joint venture company, TSky Development Pte Ltd, entered into a sale and purchase agreement for the proposed acquisition (the "**Proposed Acquisition**") of Cairnhill Heights at 16 Cairnhill Rise (the "**Subject Site**"). Upon completion of the Proposed Acquisition, the Subject Site which spans an area of approximately 1,431.4 square metres, will be redeveloped into a private residential development.

1 <https://www.straitstimes.com/business/economy/singapore-economy-grows-43-in-q1-on-strong-manufacturing-growth>

2 <https://www.straitstimes.com/business/property/private-home-prices-rise-39-in-q1>

3 As stated in the Directors' Responsibility Statement of this Offer Information Statement, where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

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Separately, construction works for the Group's real estate projects at 17 Balmoral Road and 6 Nim Drive are currently in progress.

Additionally, the Group has leased out a factory cum office property in Singapore for a three-year tenure commencing from 10 July 2017.

While the prospects of the private housing market look set to stay strong amid the buoyant collective sales and record bid prices, the Group remains disciplined and focused in its strategy to build a strong foundation for its property business. The Group will be selective in bidding for new development projects and prudent in bidding prices. Apart from Singapore, the Group will also explore opportunities in the region as part of its ongoing strategy to diversify its sources of revenue for growth.

The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section entitled "Cautionary Note on Forward-Looking Statements" of this Offer Information Statement for further details.

Save as disclosed below and in this Offer Information Statement, the Company's annual reports, circulars and public announcements, and barring unforeseen circumstances, the Directors are not aware of any known trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the current financial year.

Please refer to the section on "Risk Factors" below for more information on factors which may affect the Group's revenue and financial performance.

Risk Factors

To the best of the Directors' knowledge and belief as at the Latest Practicable Date, the risk factors that are material to Shareholders and prospective investors in making an informed judgment on the Rights cum Warrants Issue (save for those which have already been disclosed to the general public) are set out below. Shareholders and prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding to invest in the Rights Shares with Warrants and/or the Warrant Shares. The Group could be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein.

The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develop into actual events, the business, financial condition, results of operations and prospects of the Company and the Group could be materially and adversely affected. In such event, the trading price of the Shares, the Rights Shares with Warrants and/or the Warrant Shares could decline due to any of these considerations and uncertainties, and Shareholders and investors may lose all or part of their investment in the securities of the Company.

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Risk factors relating to the Construction and Engineering Business

- (a) **The Construction and Engineering Business is dependent on the economies of the countries in which the Construction and Engineering Business operates and subject to the cyclical nature of the construction industry**

The Construction and Engineering Business is dependent on the health of the engineering and construction industries and the general economy in the countries in which the Construction and Engineering Business operates (the “**Relevant Countries**”), namely, Singapore. A downturn in these economies or a dampening of the general sentiments of the property market may result in reduced demand for engineering and construction activities, which may have a material adverse effect on the Group’s business, financial condition, operations and prospects. In addition, such downturn may dampen general sentiments in the property market and reduce demand for construction and engineering activities. This may result in reduced demand for the Group’s business activities and may erode the profit margins for any engineering and construction activities due to keen competition. Accordingly, the Construction and Engineering Business may be subject to the cyclical fluctuations of the general economy in Relevant Countries and this may have a material and adverse effect on the Group’s Construction and Engineering Business.

Our Construction and Engineering Business may also be adversely affected by political, regulatory, social, diplomatic or other economic developments in these countries. Examples include, but are not limited to, changes in inflation, interest rates, taxation, employment rates, demand and supply of properties and the government land policies. Any such developments may materially and adversely affect the Group’s business, financial condition and performance, operations and prospects.

- (b) **The Group is affected by governmental measures to cool the property market in Singapore**

Historically, the Singapore government has sought to regulate or reduce property speculation through the imposition of credit controls, taxes and fees. In recent years, it has implemented a series of measures to cool the Singapore property market and maintain a stable and sustainable property market where prices move in line with economic fundamentals. For instance, the Singapore government has previously implemented property cooling measures and curbs such as the imposition of additional buyer’s stamp duty, the increase in minimum cash down-payment, the stipulation of maximum loan tenure and the lowering of loan-to-value limits.

In addition, the implementation of stricter controls on the process of *en bloc* sales of existing developments may result in fewer re-developments and may adversely affect the demand for engineering and construction services.

Such measures and further legislation or policies to encourage financial prudence which may be introduced by the Singapore government to moderate the property market may affect the purchasing power of potential buyers of residential properties and may dampen the general sentiments of the residential property market, resulting in reduced demand for construction and engineering activities in Singapore. There is also no assurance that the Singapore government will not introduce further legislation or policies, or amend existing legislation or policies to regulate the growth of the Singapore property market. Such changes may have an adverse effect on the Group’s business, financial condition and performance, operations and prospects.

- (c) **The Group may be subject to intense competition and the Group may not be able to maintain its competitiveness in the Construction and Engineering Business**

The construction and engineering industry is highly competitive, with new and existing competitors based in Singapore and elsewhere, while pitching for a limited number of large scale projects. Some of these competitors are established global players in the construction

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industry. In order to secure tenders, the Group may have to compete aggressively in its bid price and in terms of service quality. If the Group needs to lower bid prices and yet faces high operating costs from providing additional services, this will adversely affect the Group's profit margins.

Domestic companies may have extensive knowledge of the local construction industry and longer operational track records than us. International companies are able to capitalise on their overseas experience and greater financial resources to compete in the construction industry in Singapore. As a result, there can be no assurance that we will be able to compete successfully in the future against existing or potential competitors or that increased competition may not have a material and adverse effect on the Group's Construction and Engineering Business. In the event that the Group is not able to compete successfully against its competitors or adapt to market conditions, its business, financial condition and performance, operations and prospects may be adversely affected.

(d) The Group may be subject to risks associated with joint ventures and mergers and acquisitions

The Group expects that it may, as a matter of business strategy, from time to time enter into construction and engineering projects through mergers and acquisitions and the formation of joint ventures. The proceeds raised from the Rights cum Warrants Issue may also be applied towards strategic investments in land development and project in the form of joint ventures and/or mergers and acquisitions. Any merger or acquisition undertaken, or joint venture entered into, by the Group for the Construction and Engineering Business may not be successful. Joint ventures involve a certain amount of business risks such as the inability or unwillingness of joint venture partners to fulfil their obligations under the joint venture agreements. Political uncertainties or new government regulations such as restrictions on ownership can also result in a decline in the Group's investments in these joint ventures or mergers and acquisitions or a loss in the Group's ability to influence the management, directors and decisions made by such companies. There is no assurance that the Group will not, in the future, encounter such business risks which, if financially material, will have an adverse effect on its business, financial condition and performance, operations and prospects. In addition, if disputes arise out of such mergers or acquisitions or with its joint venture partners, the relevant business objectives may not be achieved and may lead to an adverse effect on the business, financial condition and performance, operations and prospects position of the Group.

(e) The Group may be involved in legal and other proceedings arising from its operations from time to time

The Group may be involved from time to time in disputes with various parties involved in the construction and engineering projects that the Group undertakes. These parties include contractors, sub-contractors, suppliers, construction companies and other partners. These disputes may lead to legal and other proceedings. The Group may also have disagreements with regulatory bodies in the Relevant Countries and these may subject the Group to administrative proceedings. In the event that unfavourable decrees are determined by the courts or the regulatory bodies, the Group may suffer not only financial losses but also a delay in the construction or completion of its projects. In addition, if the Group is the main contractor of residential developments such as condominium projects and commercial projects, the Group may be exposed to the risk of legal suits by the contractors, sub-contractors, suppliers, construction companies and other partners, management corporation or its clients who in turn are being sued by the management corporation in respect of defective works in common areas and common property. In such an event, the Group may be liable for damages and incur legal costs, which will have an adverse effect on the Group's business, financial condition and performance, operations and prospects.

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(f) The operations and profitability of the Construction and Engineering Business may be disrupted by acts of violence or wars and outbreaks of diseases

Any acts of violence (such as terrorist attacks) or wars in the markets in which the Construction and Engineering Business operates may lead to uncertainty in the economic outlook of its markets and there is no assurance that such markets will not be affected, or that recovery from the global financial crisis would continue. All these could have a negative impact on the demand for the Group's Construction and Engineering Business, and the Group's business, financial condition and performance, operations and prospects may be adversely affected.

Furthermore, an outbreak of infectious diseases such as the Zika virus epidemic in the countries in which the Group operates may adversely affect its business, financial condition and performance, operations and prospects. If an outbreak of such infectious diseases occurs in any of the countries in which the Group operates or has operations in the future, customer sentiment and spending could be adversely affected and this may have a negative impact on the Group's business, financial condition, operations and prospects. The staff and employees in these countries may also be affected by any outbreak of such infectious diseases and this may affect the Group's day-to-day operations.

(g) The Construction and Engineering Business may be affected by political, economic and social conditions in the Relevant Countries or countries that the Group may expand into

In the course of developing the Construction and Engineering Business, the Group may expand into other developing countries or emerging markets. Such countries or markets may have been affected by political upheavals, internal strife, civil commotions and epidemics. The recurrence of these political and social conditions in the Relevant Countries may affect the Group's ability to operate or do business in those countries. The Group may not have control over such conditions and there is no assurance that changes in such conditions will not have a material adverse effect on the Group's business, financial condition and performance, operations and prospects.

(h) The Group may rely on external financing

The Group may rely on bank financing to part finance its operations. As such, the availability of adequate financing, including bank financing, may affect the Group's ability to complete its projects according to plan. The Group's ability to obtain debt financing or funds from the capital markets for its requirements depends on the lenders' assessment of its credit ratings, risk profile, the prevailing economic conditions, its ongoing performance, the general condition of the property market and the acceptability of the financing terms offered. These facilities may have variable interest rates and accordingly, any increase in such interest rates may have an adverse effect on the Group's profitability and financial performance.

Additional debt financing may restrict the Group's freedom to operate its business as new debt covenants may (i) increase its vulnerability to general adverse economic and industry conditions, (ii) limit its ability to pay dividends or require us to seek consent for the payment of dividends, (iii) require the Group to dedicate a portion of its cash flow from operations to payments of its debts, which would consequently reduce the availability of the Group's cash flow to fund capital expenditures, working capital requirements and other general corporate purposes, and (iv) limit its flexibility in planning for, or reacting to, changes in the Group's business and industry.

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When planning for financing as well as project expenses and earnings for its projects, the Group needs to take into account various factors such as the timing of completion, the expected interest charges to be incurred for the entire duration of the project, the risk of recall of loans and the possibility that financial institutions may require that the Group provide additional security for its loans. Any variation in any of the factors mentioned above may lead to a corresponding change to the Group's estimated project expenses, including the cost of financing and earnings.

The Group cannot be assured that additional financing will be available when needed or that, if available, such financing may be obtained on terms and interest rates that are acceptable to it. There is also no guarantee that the terms for additional financing will be as favourable as those previously obtained. In the event that the Group is unable to obtain acceptable financing, it may not be able to undertake certain new projects and its business, financial condition and performance, operations and prospects may be adversely affected.

(i) The Group may require significant capital outlay for the Construction and Engineering Business and may experience negative operating cash flow from time to time

Due to the nature of the construction business, a substantial amount of cash will typically be required for the initial stages of construction to purchase building materials and erection of structural frameworks.

To finance the significant capital outlay arising from the Construction and Engineering Business, the Group may have to rely on facilities from banks. As such, in the event that the Group is unable to obtain the required financing and does not have sufficient cash flow to fund projects and sustain business operations, the Group's business, financial condition and performance, operations and prospects may be adversely affected.

(j) The Group may be subject to revenue and profit volatility

The Group may be vulnerable to revenue volatility which is characteristic of construction companies. The amount of revenue to be recognised in a financial year is dependent on the number, value and stage of completion of projects undertaken by the Group, which in turn depend on various factors, such as availability of the Group's resources, market sentiment, market competition and general economic conditions. Thus, there is no assurance that the Group will be able to continuously secure new projects of similar value or profitability. There is also no assurance that the number or value of projects undertaken in respect of the Construction and Engineering Business will not fluctuate.

Should there be any reasons that cause the Group to be unable to undertake or consistently secure such projects or should there be any delay in the progress of any of the projects in the Group's portfolio, the Group's business, financial condition and performance, operations and prospects may be adversely affected.

(k) The Group will be dependent on its suppliers

The Group will be dependent on its suppliers for the supply of materials required in the course of the Construction and Engineering Business.

There is no assurance that the Group will be able to source these materials and services from its suppliers at prices that are favourable to the Group. In the event that the Group's suppliers terminate the supply of their materials to the Group, the Group may not be able to seek alternative sources in a timely manner and/or at reasonable prices. This may cause a delay in the Group's engineering and construction projects, thereby affecting the completion of such projects. In addition, the Group may face an increase in the cost of supply should it switch to new suppliers. Under such circumstances, the Group's profit margin for the project may be reduced or eroded and accordingly, its business, profitability and financial performance and performance, operations and prospects will be adversely affected.

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(l) The Group's insurance coverage may not be adequate

The Group faces the risk of loss or damage to its properties and machinery due to fire, theft and natural disasters, such as earthquakes and floods. Such events may cause disruption or cessation in its operations, thus adversely affecting its business, financial condition, operations and prospects.

Whilst the Group's insurance policies cover some losses in respect of loss or damage to its properties and machinery, the Group's insurance may not be sufficient to cover all of its potential losses in extraordinary events. Further, the Group may decide not to take up policies in developing countries where such insurance may not be available or where the premiums for such policies outweigh the benefits of amounts claimable under such insurance. In the event such loss exceeds the insurance coverage or is not covered by the insurance policies the Group has taken up, the Group may be liable to cover the shortfall of the amounts claimed and the Group's business, financial condition and performance, operations and prospects may be adversely affected.

(m) The Group may face claims

In the course of the Construction and Engineering Business, the Group may provide warranty for up to a specified period for certain of its works for its construction and engineering projects. Rectification and repair works to be carried out by the Group that are covered under such warranty would not be chargeable to the customers. The Group may provide such warranties jointly with its suppliers and/or sub-contractors. In the event the Group's suppliers and/or sub-contractors are not able to perform their obligations under the warranty, the Group may be liable for the claims pursuant to the warranty.

As such, the Group's business, financial condition, operations and prospects may be adversely affected if there are excessive warranty claims for rectification and repair works or if it has to pay a significant amount of compensation for any claim or spend a significant amount of resources in legal costs in the event of legal proceedings. The Group's reputation may also be adversely affected as a result of such proceedings.

(n) The Construction and Engineering Business will be dependent on the management team and skilled personnel and may be affected by a shortage of construction labour

The Group is dependent on the management team of the Construction and Engineering Business to manage the Construction and Engineering Business and ensure its success. There is no assurance that the Group will be able to attract and/or retain other key members of the management team who have the necessary qualifications and experience to manage the Construction and Engineering Business. The loss of any key member of the management team without any suitable and/or timely replacement may have a material adverse effect on the business, financial condition and performance, operations and prospects of the Group.

The Construction and Engineering Business is also highly dependent on skilled personnel. Having a team of experienced and skilled personnel is essential in maintaining the quality of services. For instance, the Construction and Engineering Business will be dependent on construction labour, supervisors and managerial staff with construction industry experience. In a rising market, there may be an increasing shortage of such personnel and/or a general rise in their wages, which may have an adverse effect on the operations of the Construction and Engineering Business and eventually its financial performance.

Moreover, the Group may not be able to mitigate its manpower risks by hiring sufficient foreign workers as it would need to maintain a ratio of foreign workers to local workers pursuant to the Employment of Foreign Manpower Act (Chapter 91A) of Singapore.

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- (o) **The Group may be susceptible to fluctuations in foreign exchange rates that could result in the Group incurring foreign exchange losses**

Depending on the development of the Construction and Engineering Business, the Group's revenue and costs of the Construction and Engineering Business could be denominated in different currencies. To the extent that the Group's revenue and costs are not naturally matched in the same currency, the Group may be exposed to any adverse foreign exchange fluctuation. The Group presently does not have any formal policy for hedging against foreign exchange exposure.

- (p) **The Group will have to renew, maintain and obtain statutory and regulatory permits and licenses as may be required to operate the Construction and Engineering Business and any delay or inability to obtain the same may have an adverse impact on the Construction and Engineering Business**

The Construction and Engineering Business requires several statutory and regulatory permits, consents and approvals to operate. These permits, consents and approvals may be granted for fixed periods of time after the expiry of which these need to be renewed from time to time. The Group cannot assure that it would apply for and obtain the relevant permits, consents and approvals required for its projects or otherwise within the statutory time limits, and there can be no assurance that the relevant authorities will issue any such permits, consents or approvals in time or at all. Failure by the Group to renew, maintain or obtain the required permits, consents or approvals, or cancellation, suspension or revocation of any of its permits, consents or approvals may result in the interruption of its operations and may have a material adverse effect on its business.

- (q) **The Group's earnings may be affected by fluctuations in construction material prices and any cost overruns in construction material prices and/or increases in cost may adversely affect the Group's financial performance**

The construction materials used in the Construction and Engineering Business include concrete, sand, aggregates, cement, bricks, tiles, steel and aluminium. The prices of these construction materials may fluctuate due to changes in the supply and demand conditions. The Group may not have a long-term supply contract with any of its suppliers. Any sudden shortage of supply or reduction in the allocation of construction materials to the Group from its suppliers for any reason may adversely affect its business operations or result in the Group having to pay a higher cost for these construction materials.

Furthermore, a typical construction project generally spans more than one year. As a result, the Group's costs may increase beyond its initial projections and this may result in a reduction in the Group's previously estimated profit margins or the Group incurring a loss. In the event of any significant increase in the costs of such construction materials and the Group failing to find a cheaper source of supply or pass on such increases in raw material prices to its customers, its business, financial condition and performance, operations and prospects may be adversely affected.

In addition, the contract value quoted in the tender submission for engineering and construction projects respectively is determined based on internal costing and budgetary evaluations on costs such as labour costs and material costs, including the indicative pricing from the various suppliers and/or sub-contractors.

However, unforeseen circumstances such as adverse soil conditions, unfavourable weather conditions or unanticipated engineering or construction constraints at the worksite may arise during the execution of projects. Additional work which is not previously factored into the contract value of the Group's engineering and construction projects may have to be carried out and this may result in higher project costs. It is also possible for incorrect estimations of

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costs to be made during the tender submission or for delays in the execution of projects to arise. These circumstances may lead to cost overruns which will erode the Group's profit margin for the project or may result in losses. This may have an adverse effect on the Group's overall financial performance and financial condition.

An affirmative quotation may be requested in the submission of a tender for the Group's engineering and construction projects. However, the indicative pricing which the Group obtains from its suppliers and/or sub-contractors for the purpose of determining the contract value is only valid over a certain period. As the award of the tender is known only much later and the duration of projects normally stretches more than one year, there is a possibility that the final pricing agreed with the Group's suppliers and sub-contractors may be less favourable than the indicative pricing factored into the Group's tender submission. As the Group's contracts may not allow for any adjustments to the contract value for fluctuations in cost, a substantial increase in the cost of materials or any other cost components vis-à-vis the estimates factored into the quotations may therefore erode the Group's profit margin for the project or may even result in losses. This may have an adverse effect on the Group's overall financial performance and financial condition.

(r) The Group may be liable for delays in the completion of projects, and any liquidated damages arising from such delays

Contracts between a developer and its main contractor or between a main contractor and its subcontractors may include provisions for the payment of pre-determined liquidated damages by the latter to the former in the event the project is completed after the stipulated date of completion stated in the contract.

Delays in the completion of a project could occur from time to time due to several factors including but not limited to adverse weather conditions, shortages of labour, equipment and construction materials, the occurrence of natural disasters, labour disputes, disputes with suppliers and subcontractors, industrial accidents, work stoppages arising from accidents, mishaps at the worksite or delays in the delivery of building materials by the suppliers. In the event of any delay in the completion of the project due to factors within the Group's control, the Group could be liable to pay liquidated damages under the relevant contracts and incur additional overheads that may adversely affect the Group's earnings and erode its profit margin for the project. In such event, the Group's business, financial condition and performance, operations and prospects may be adversely affected.

(s) The Group may be subject to disputes with, and/or claims from, developers and/or main contractors

It is not uncommon in the construction industry for disputes to arise between the developer and main contractor or between the main contractor and its sub-contractors for various reasons including differences in the interpretation of acceptable quality standards of workmanship and materials used, disagreements over the valuation of work-in-progress and general non-adherence to the contract specifications. Consequently, it is an industry practice for an agreed percentage of the contract sum to be withheld. The Group may therefore encounter difficulties in collecting the full sum or any part of the retention monies due and may run the risk of incurring additional costs to make good the rectification or reconstruction of works under dispute to the extent that the Group's profit margin is eroded or losses are incurred for the project. Moreover, where the Group is in breach of any terms of the contract, its clients are entitled to claim for liquidated damages for delay in completion or other losses suffered by them by off-setting the same from the retention monies or enforcing the performance bond. If the performance bond is called upon, the Group will be required to indemnify the relevant insurance company or financial institution for such payment, as well as any damages arising from disputes. This may have an adverse effect on the Group's business, financial condition and performance, operations and prospects.

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Disputes may also arise between the developer and main contractor or between the main contractor and its sub-contractors from disagreements over the cost of variation orders requested by the former. This is because the variation orders are sometimes carried out before the additional charges are agreed upon in order that the project may be completed on schedule. However, as the cost of variation orders is not determined beforehand, their basis of valuation may become a source of dispute after the project has been completed. In the event that a dispute were to arise such that the Group is required to bear part of the variation cost, the Group's profit margin for the project may be eroded or it may result in losses. This may have an adverse effect on the Group's financial performance and financial condition. Disputes may also arise for various reasons such as defective works, disruption of works and disputes over contract specifications and the final amount payable for work done on a project.

It is not uncommon in the construction business for claims to be made against the Group from time to time arising from such disputes. In the event that any of such claims are successfully made against the Group, its financial performance and financial condition may be materially and adversely affected. Any legal proceedings relating to such claims may also have an adverse effect on the Group's market reputation.

(t) The Group may be affected by accidents and/or violation of regulatory requirements at the Group's worksites

Accidents or mishaps may occur at the worksites for the Group's projects even as the Group has put in place certain safety measures. As such, the Group may be subject to personal injury claims by workers who are involved in accidents at the Group's worksites during the course of their work from time to time.

Such accidents or mishaps may severely disrupt the Group's operations and lead to a delay in the completion of a project, and in the event of such delay, the Group could be liable to pay liquidated damages under contracts with its customers. In such an event, the Group's business, financial condition, operations and prospects may be materially and adversely affected. Further, such accidents or mishaps may subject the Group to claims from workers or other persons involved in such accidents or mishaps for damages suffered by them, and any significant claims which are not covered by the Group's insurance policies may materially and adversely affect its financial performance and financial condition. In addition, any accidents or mishaps resulting in significant damage to the Group's premises, machinery or equipment may also have a significant adverse effect on the Group's business, financial condition, operations and prospects.

In addition, in the event that the Group's worksites contravene the requisite safety and health standards imposed by the regulatory authorities, the Group could be fined, or issued with partial or full stop work orders. In the event that the Group is issued such stop work orders, this may severely disrupt the Group's operations and lead to a delay in the completion of a project. These circumstances may not only generate negative publicity and adversely affect the Group's market reputation but may also have a material adverse impact on the Group's business, financial condition and performance, operations and prospects.

(u) The Group's business is dependent on the services of its contractors

The Group may engage contractors to provide various services for its projects, including piling and foundation works, engineering, landscaping, installation of air-conditioning units and elevators, mechanical and electrical installation, utilities installation, interior decoration and any other specialist work. These contractors will be selected based on, amongst others, the Group's past working experience with them, their competitiveness in terms of their pricing and their past performance. There is no assurance that the services rendered by these contractors will be satisfactory or that they will meet the Group's requirements for

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quality. In the event of any loss or damage which arises from the default of the contractors engaged by the Group, the Group may nevertheless be liable for its contractors' default. Furthermore, these contractors may experience financial or other difficulties that may affect their ability to carry out the work for which they were contracted, thus delaying the completion of or failing to complete the Group's projects, resulting in additional costs for the Group or exposing the Group to the risk of liquidated damages. Any of these factors could have a material adverse effect on the Group's business, financial condition and performance, operations and prospects.

(v) The Group may be adversely affected by changes in government legislation, regulations or policies which affect the construction sectors in the Relevant Countries

The Construction and Engineering Business is subject to the governmental legislation, regulations or policies of the Relevant Countries relating to various matters including design and construction, mortgage financing, refinancing, employment requirements and restrictions, workplace health and safety and environment pollution control. There is no assurance that the government legislation, regulations or policies of the Relevant Countries will remain unchanged in the future. For instance, since 2009, the Singapore government has implemented measures to regulate the movement in local property prices.

Any changes in such government legislation, regulations or policies affecting the construction industry in the jurisdictions in which the Group operates could adversely affect the Group's business operations and/or have a negative effect on the demand for the Group's construction and engineering services. In addition, any failure to comply with such government legislations, regulations or policies could result in the imposition of fines or other penalties by the relevant authorities, all of which could adversely affect the Group's business, financial condition and performance, operations and prospects

(w) The Group is exposed to credit risks of its customers

The Group's financial performance and position are dependent, to a certain extent, on the creditworthiness of its customers. If there are any unforeseen circumstances affecting the customers' ability or willingness to pay the Group, the Group may experience payment delays or non-payment. In any of such events, the Group's financial performance and financial position may be affected adversely.

Risk factors relating to the Real Estate and Development Business

(a) The Real Estate and Development Business is dependent on the economies of the countries in which the Real Estate and Development Business operates and subject to the cyclical nature of the real estate and development industry

The Real Estate and Development Business is dependent on the health of the property industries and the general economy in the countries in which the Real Estate and Development Business operates (the "**Countries Relevant to REDB**"), namely Singapore and Cambodia, which in turn is dependent on the general health of the economies in such countries. A downturn in these economies or a dampening of the general sentiments of the property market may result in reduced demand for real estate and development activities, which may have a material adverse effect on the Group's business, financial condition, operations and prospects. In addition, such downturn may dampen general sentiments in the property market and reduce demand for real estate and development activities. This may result in reduced demand for the Group's business activities and erode the profit margins for any real estate and property development activities due to keen competition. Accordingly, the Real Estate and Development Business may be subject to the cyclical fluctuations of the general economy in Countries Relevant to REDB and this may have a material and adverse effect on the Group's Real Estate and Development Business.

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Our Real Estate and Development Business may also be adversely affected by political, regulatory, social, diplomatic or other economic developments affecting the real estate and development sectors generally. Examples include, but are not limited to, changes in inflation, interest rates, taxation employment rates, demand and supply of properties and the government land policies. Any such developments may materially and adversely affect the Group's business, financial condition and performance, operations and prospects.

(b) The Group is affected by governmental measures to cool the property market in Singapore

Historically, the Singapore government has sought to regulate or reduce property speculation through the imposition of credit controls, taxes and fees. In recent years, it has implemented a series of measures to cool the Singapore property market and maintain a stable and sustainable property market where prices move in line with economic fundamentals. For instance, the Singapore government has previously implemented property cooling measures and curbs such as the imposition of additional buyer's stamp duty, the increase in minimum cash down-payment, the stipulation of maximum loan tenure and the lowering of loan-to-value limits.

In addition, the implementation of stricter controls on the process of *en bloc* sales of existing developments may result in fewer re-developments and may adversely affect the demand for real estate and development services

Such measures and further legislation or policies to encourage financial prudence which may be introduced by the Singapore government to moderate the property market may affect the purchasing power of potential buyers of residential properties and may dampen the general sentiments of the residential property market, resulting in reduced demand for real estate and development activities in Singapore. There is also no assurance that the Singapore government will not introduce further legislation or policies, or amend existing legislation or policies to regulate the growth of the Singapore property market. Such changes may have an adverse effect on the Group's business, financial condition and performance, operations and prospects.

(c) The Group may be subject to intense competition and the Group may not be able to maintain its competitiveness in the Real Estate and Development Business

The property industry is highly competitive with new and existing competitors based in Singapore and elsewhere, while pitching for a limited number of large scale projects. Some of these competitors are established global players in the real estate and development industry. In order to secure tenders, the Group may have to compete aggressively in its bid price and in terms of service quality. If the Group needs to lower bid prices and yet faces high operating costs from providing additional services, this will adversely affect the Group's profit margins.

Domestic companies may have extensive knowledge of the local real estate and development industry and longer operational track records than us. International companies are able to capitalise on their overseas experience and greater financial resources to compete in the real estate and development industry in Singapore. As a result, there can be no assurance that we will be able to compete successfully in the future against existing or potential competitors or that increased competition may not have a material and adverse effect on the Group's Real Estate and Development Business. In the event that the Group is not able to compete successfully against its competitors or adapt to market conditions, its business, financial condition and performance, operations and prospects may be adversely affected.

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(d) The Group may be subject to risks associated with joint ventures and mergers and acquisitions

The Group expects that it may, as a matter of business strategy, from time to time enter into real estate and development projects through mergers and acquisitions and the formation of joint ventures. The proceeds raised from the Rights cum Warrants Issue may also be applied towards strategic investments in land development and project in the form of joint ventures and/or mergers and acquisitions. Any merger or acquisition undertaken, or joint venture entered into, by the Group for the Real Estate and Development Business may not be successful. Joint ventures involve a certain amount of business risks such as the inability or unwillingness of joint venture partners to fulfil their obligations under the joint venture agreements. Political uncertainties or new government regulations such as restrictions on ownership can also result in a decline in the Group's investments in these joint ventures or mergers and acquisitions or a loss in the Group's ability to influence the management, directors and decisions made by such companies. There is no assurance that the Group will not, in the future, encounter such business risks which, if financially material, will have an adverse effect on its business, financial condition and performance, operations and prospects. In addition, if disputes arise out of such mergers or acquisitions or with its joint venture partners, the relevant business objectives may not be achieved and may lead to an adverse effect on the business, financial condition, operations and prospects position of the Group.

(e) The Group may be involved in legal and other proceedings arising from its operations from time to time

The Group may be involved from time to time in disputes with various parties involved in the real estate development projects that the Group undertakes. These parties include contractors, sub-contractors, suppliers, construction companies and other partners. These disputes may lead to legal and other proceedings. The Group may also have disagreements with regulatory bodies in the Countries Relevant to REDB and these may subject the Group to administrative proceedings. In the event that unfavorable decrees are determined by the courts or the regulatory bodies, the Group may suffer not only financial losses but also a delay in the construction or completion of its projects. The Group may also be exposed to the risk of legal suits, by either the management corporation or its clients who in turn are being sued by the management corporation in respect of defective works in common areas and common property. In such an event, the Group may be liable for damages and incur legal costs, which will have an adverse effect on the Group's business, financial condition, operations and prospects.

(f) The operations and profitability of the Real Estate and Development Business may be disrupted by acts of violence or wars and outbreaks of diseases

Any acts of violence (such as terrorist attacks) or wars in the markets in which the Real Estate and Development Business operates may lead to uncertainty in the economic outlook of its markets and there is no assurance that such markets will not be affected, or that recovery from the global financial crisis would continue. All these could have a negative impact on the demand for the Group's Real Estate and Development Business, and the Group's business, financial condition and performance, operations and prospects may be adversely affected.

Furthermore, an outbreak of infectious diseases such as the Zika virus epidemic in the countries in which the Group operates may adversely affect its business, financial condition and performance, operations and prospects. If an outbreak of such infectious diseases occurs in any of the countries in which the Group operates or has operations in the future, customer sentiment and spending could be adversely affected and this may have a negative impact on the Group's business, financial condition, operations and prospects. The staff and employees in these countries may also be affected by any outbreak of such infectious diseases and this may affect the Group's day-to-day operations.

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(g) The Real Estate and Development Business may be affected by political, economic and social conditions in the Countries Relevant to the Real Estate and Development Business or countries that the Group may expand into

In the course of developing the Real Estate and Development Business, the Group may expand into other developing countries or emerging markets. Such countries or markets may have been affected by political upheavals, internal strife, civil commotions and epidemics. The recurrence of these political and social conditions in the Countries Relevant to REDB may affect the Group's ability to operate or do business in those countries. The Group may not have control over such conditions and there is no assurance that changes in such conditions will not have a material adverse effect on the Group's business, financial condition and performance, operations and prospects.

(h) The Group may rely on external financing

The Group may rely on bank financing to part finance its operations. As such, the availability of adequate financing, including bank financing, may affect the Group's ability to complete its projects according to plan. The Group's ability to obtain debt financing or funds from the capital markets for its requirements depends on the lenders' assessment of its credit ratings, risk profile, the prevailing economic conditions, its ongoing performance, the general condition of the property market and the acceptability of the financing terms offered. These facilities may have variable interest rates and accordingly, any increase in such interest rates may have an adverse effect on the Group's profitability and financial performance.

Additional debt financing may restrict the Group's freedom to operate its business as new debt covenants may (i) increase its vulnerability to general adverse economic and industry conditions, (ii) limit its ability to pay dividends or require us to seek consent for the payment of dividends, (iii) require the Group to dedicate a portion of its cash flow from operations to payments of its debts, which would consequently reduce the availability of the Group's cash flow to fund capital expenditures, working capital requirements and other general corporate purposes, and (iv) limit its flexibility in planning for, or reacting to, changes in the Group's business and industry.

When planning for financing as well as project expenses and earnings for its projects, the Group needs to take into account various factors such as the timing of completion, the expected interest charges to be incurred for the entire duration of the project, the risk of recall of loans and the possibility that financial institutions may require that the Group provide additional security for its loans. Any variation in any of the factors mentioned above may lead to a corresponding change to the Group's estimated project expenses, including the cost of financing and earnings.

The Group cannot be assured that additional financing will be available when needed or that, if available, such financing may be obtained on terms and interest rates that are acceptable to it. There is also no guarantee that the terms for additional financing will be as favourable as those previously obtained. In the event that the Group is unable to obtain acceptable financing, it may not be able to undertake certain new projects and its business, financial condition and performance, operations and prospects may be adversely affected.

(i) The Group may be subject to revenue and profit volatility

The Group may be vulnerable to revenue volatility which is characteristic of real estate and development companies. The amount of revenue to be recognised in a financial year is dependent on the number, value and stage of completion of projects undertaken by the Group, which in turn depend on various factors, such as availability of the Group's resources, market sentiment, market competition and general economic conditions. Thus, there is no assurance that the Group will be able to continuously commence new projects of similar value and profitability. There is also no assurance that the number or value of projects undertaken in respect of the Real Estate and Development Business will not fluctuate.

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Should there be any reasons that cause the Group to be unable to consistently such projects or should there be any delay in the progress of any of the projects in the Group's portfolio, the Group's business, financial condition and performance, operations and prospects may be adversely affected.

(j) The Group may face claims by purchasers of units of the building in respect of the Group's real estate and development projects

In the course of the Real Estate and Development Business, the Group may provide warranty for up to a specified period for defects in the buildings of its real estate and development projects. Rectification and repair works to be carried out by the Group that are covered under such warranty would not be chargeable to the purchasers. The Group may provide such warranties jointly with its contractors and/or sub-contractors. In the event the Group's contractors and/or sub-contractors are not able to perform their obligations under the warranty, the Group may be liable for the claims pursuant to the warranty.

As such, the Group's business, financial condition, operations and prospects may be adversely affected if there are excessive warranty claims for rectification and repair works or if it has to pay a significant amount of compensation for any claim or spend a significant amount of resources in legal costs in the event of legal proceedings. The Group's reputation may also be adversely affected as a result of such proceedings.

(k) The Group may be susceptible to fluctuations in foreign exchange rates that could result in the Group incurring foreign exchange losses

Depending on the development of the Real Estate and Development Business, the Group's revenue and costs of the Real Estate and Development Business could be denominated in different currencies. To the extent that the Group's revenue and costs are not naturally matched in the same currency, the Group may be exposed to any adverse foreign exchange fluctuation. The Group presently does not have any formal policy for hedging against foreign exchange exposure.

(l) The Group may be liable for delays in the completion of projects, and any liquidated damages arising from such delays

Contracts between end customers and the developer may include provisions for the payment of pre-determined liquidated damages by the latter to the former in the event the project is completed after the stipulated date of completion stated in the contract.

Delays in the completion of a project could occur from time to time due to several factors including but not limited to adverse weather conditions, shortages of labour, equipment and construction materials, the occurrence of natural disasters, labour disputes, disputes with contractors and subcontractors, industrial accidents, work stoppages arising from accidents, mishaps at the worksite or delays in the delivery of building materials by the suppliers. In the event of any delay in the completion of the project due to factors within the Group's control, the Group could be liable to pay liquidated damages under the relevant contracts and incur additional overheads that may adversely affect the Group's earnings and erode its profit margin for the project. In such event, the Group's business, financial condition and performance, operations and prospects may be adversely affected.

(m) The Group's business is dependent on the services of its contractors and the services of the sub-contractors which the contractor may engage

The Group may engage contractors to provide various services for its projects for construction works. The contractor may subsequently engage sub-contractors for services such as piling and foundation works, engineering, landscaping, installation of air-conditioning units and elevators, mechanical and electrical installation, utilities installation, interior decoration and any other specialist work. These contractors will be selected based on,

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amongst others, the Group's past working experience with them, their competitiveness in terms of their pricing and their past performance. There is no assurance that the services rendered by these contractors will be satisfactory or that they will meet the Group's requirements for quality. There is also no assurance that the sub-contractors engaged by the contractors will render services of satisfactory standard or which meet the Group's requirement for quality. In the event of any loss or damage which arises from the default of the contractors engaged by the Group, the Group may nevertheless be liable for its contractors' default, whether at the fault of the contractor or sub-contractor. Furthermore, these contractors and sub-contractors may experience financial or other difficulties that may affect their ability to carry out the work for which they were contracted, thus delaying the completion of or failing to complete the Group's projects, resulting in additional costs for the Group or exposing the Group to the risk of liquidated damages. Any of these factors could have a material adverse effect on the Group's business, financial condition and performance, operations and prospects.

(n) The Group's Real Estate and Development Business is subject to changes in laws and regulations

The real estate and development industry is subject to the respective laws and regulations. Any changes in the applicable laws and regulations could result in higher compliance costs and adversely affect the operations of the Group. There is no assurance that any changes in the applicable laws and regulations will not have an adverse effect on the financial performance of the Group. In the event that the Group is unable to obtain the relevant licences or certificates or any other approvals required for the Real Estate and Development Business, the business and operations of the Group may be adversely affected.

(o) The Group faces fluctuations in property prices and availability of suitable land sites

The Group will be subject to fluctuations in property prices as well as the availability of suitable land sites. The availability of land sites is also dependent on the competition with other developers for land sites. Failure to secure appropriate land sites for property development would affect the Group's revenue.

(p) The Group faces the risk of unsold properties

Unsold property development assets are relatively illiquid prior to their sale. Such illiquidity restricts the Group's ability to convert its unsold property development assets into cash on short notice. The sale prices of the Group's unsold completed property development assets may be adversely affected if it requires a quick sale of these assets. Consequently, such illiquidity may affect the Group's financial performance adversely.

Risks relating to the Investment Business

(a) The Group has no prior experience in the Investment Business, and faces integration risk

Presently, the Group has no prior experience in the Investment Business. In line with future growth in the Investment Business, the Group may hire additional suitably qualified employees, providing the relevant training, know-how, business support, creating new incentive structures for management and staff and establishing the operating infrastructure and internal controls, where necessary and appropriate.

Nevertheless, there can be no assurance that the Group will be successful in the Investment Business, or that such measures will result in the seamless integration of the Investment Business into the Group's existing operations. Delays in integration or unforeseen or unresolved issues may divert the Group's management attention and resources, delay the commencement of or prevent revenue growth in the Investment Business, which may materially and adversely affect the Group's business, financial condition and performance, operations and prospects.

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(b) The performance of the Group's investments may be adversely affected by macro-economic and micro-economic factors

Given that the Group's investment activities will involve investments in listed and unlisted companies, the performance of the Group's investments may be affected by adverse movements in the share prices or deterioration in the financial performance of the investee companies. These adverse movements or deterioration may be due to macro-economic factors (such as those that are described below) or micro-economic factors that relate specifically to the business operations of the investee companies. In such situations, the Group may lose part, or the whole, of its investment.

(c) The Group's investments may be affected by changes in general economic, political, social and environmental conditions

The businesses of the investee companies will be subject to the prevailing economic, political and social conditions in the markets and/or countries in which they operate. The business, earnings, asset values, prospects and valuations of the investee companies may be materially and adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, taxation, expropriation, social instability and other political, economic or diplomatic developments in or affecting the countries in which the investee companies operate.

In addition, investee companies may, from time to time, undertake activities that may cause damage and/or harm to the environment. If damage and/or harm to the environment arise from the direct or indirect activities of investee companies, these companies may face legal action and/or other claims which may adversely affect their financial position. In some jurisdictions, the liability for the harm and/or damage caused to the environment may extend beyond the immediate businesses to their ultimate shareholders.

(d) Investments in higher growth companies which may be in the early stages of development may entail a higher level of risk

The Group may invest in the quoted and/or unquoted securities of companies that are in the early stages of development and have high growth potential. While investments in these companies may present greater opportunities for growth, they may also involve greater business risks than is customarily associated with more established companies and there can be no assurance that the original investment amounts will not be written off partially or in entirety. Given the nature of such investments, the Company will regularly assess the financial and operational performance of such investee companies. This includes reviewing, at regular intervals, the investee companies' financial statements. In addition, and as appropriate, the terms upon which the Group will invest in a company may include a redemption clause whereby if the investee company is unable to achieve specified profit targets, the Group will be entitled to redeem part of its investment in cash and/or have additional issued shares in the investee company issued to the Group to compensate for the shortfall.

(e) Inability to influence or exercise management control over the investee companies may affect performance of investments and reputation of the Group

The Group does not currently intend to participate at the board level or be actively involved with the day-to-day management of any investee company, save where the Group's stake in the particular investee company is significant. Additionally, where the Group takes a strategic but non-controlling stake in an investee company, it would have limited control or influence in terms of day-to-day operations.

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Accordingly, the mismanagement of any investee company, if any, may be beyond the control of the Group. Such mismanagement may adversely affect the financial performance of the investee company, which may in turn affect the returns on the Group's investments. The impact of any negative publicity or announcements relating to such mismanagement of the investee company may also be extended to the Group's reputation, whether or not it is justified, and ultimately affect the value of the Shares.

(f) The loss of any key personnel managing the Investment Business may adversely affect the operations of the Investment Business

The performance of the Investment Business will depend on the ability of the Company to attract and retain key personnel in the Investment Business, as such key personnel would be able to identify new investment opportunities for the Group. The loss of any of these individuals could have a material effect on the operations and financial performance of the Investment Business.

(g) The Group's investment activities may be subject to risks arising from fluctuations in foreign exchange rates

To the extent that the investee companies may be located in different geographic jurisdictions and the investments may be denominated in currencies other than Singapore dollars, the Group's investments may be adversely affected by fluctuations in foreign exchange rates which may be unpredictable.

(h) The Group may not be able to hedge effectively against certain risks that the Group's investments are exposed to

The Group may, from time to time, undertake various transactions (such as transacting in options and warrants, or entering into futures contracts) to hedge its foreign exchange exposure and interest rate exposure. There can be no assurance that the Group will be able to hedge successfully or effectively against these exposures and the Group may incur losses due to fluctuations in foreign exchange rates or interest rates.

Risks factors relating to the securities of the Company

(a) Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than shares quoted on the Main Board of the SGX-ST

The Company is a company listed on Catalist, a listing platform primarily designed for fast-growing and emerging or smaller companies which generally involve higher investment risk compared to larger or more established companies on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. The Catalist was established at the beginning of 2008 and its future success and liquidity in the market for the Shares cannot be guaranteed.

(b) The market price of the Shares may fluctuate

There is no assurance that the market price for the Shares will not fluctuate significantly and rapidly. Such volatility in price of the Shares may be caused by factors beyond the Group's control and may be unrelated or disproportionate to the Group's operating results.

Examples of such factors include, *inter alia*, (i) variation(s) of its operating results; (ii) changes in securities analysts' estimates of the Group's financial performance; (iii) additions or departures of key personnel; (iv) fluctuations in stock market prices and volume; (v) involvement in litigation; (vi) general economic, stock and credit market conditions; and (vii) other events or factors described in this Offer Information Statement.

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The Issue Price does not bear a direct relationship to the book value of the Group's assets, past operations, cash flow, earnings, financial condition or other established criteria for value, and hence Shareholders should not consider the Issue Price to be any indication of the Share's underlying value.

The market price of the Shares could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights cum Warrants Issue and/or be in response to various factors some of which are beyond the Company's control.

Any of these events could result in a decline in the market price of the Shares during and after the Rights cum Warrants Issue. There is no assurance that the market price of the Rights Shares will remain at or above the Issue Price.

(c) There is no assurance that the Shares will remain listed on the Catalist or that there will be a liquid market for the Shares

Although it is currently intended that the Shares will remain listed on the Catalist, there is no guarantee of the continued listing of the Shares. As a result, there may not be a liquid market for the Shares. There is no assurance that the liquidity of the Shares or the volume of the Shares as traded on the Catalist may change or improve after the Rights cum Warrants Issue.

Shareholders should note that the Shares trade in board lots of 100 Shares. Following the Rights cum Warrants Issue, Shareholders who hold odd lots and who wish to trade in odd lots on the Catalist should note that there is no assurance that they will be able to acquire such number of Rights Shares with Warrants to make up one board lot or to dispose of their odd lots (whether in part or whole) on the Catalist. Further, Entitled Shareholders who hold odd lots may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares with Warrants.

(d) Shareholders who do not or are not able to accept their provisional allotment of Rights Shares with Warrants will experience a dilution in their ownership of the Company

In the event that Entitled Shareholders do not or are not able to accept their provisional allotment of Rights Shares with Warrants, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if the Entitled Shareholder sells his provisional allotment of Rights Shares with Warrants or such Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights cum Warrants Issue.

(e) An active market may not develop for the "nil-paid" Rights entitlements during the trading period prescribed by the SGX-ST and, if an active market does develop, the "nil-paid" Rights entitlements may be subject to greater price volatility than the Shares

The Company cannot assure Shareholders that an active trading market for the "nil-paid" Rights entitlements on Catalist will develop during the "nil-paid" Rights trading period or that any over-the-counter trading market for the "nil-paid" Rights entitlements will develop. If an active market develops, the trading price of the "nil-paid" Rights entitlements, which depends on the trading price of the Shares, may be volatile. In addition, Foreign Shareholders are not allowed to participate in the Rights cum Warrants Issue. The "nil-paid" Rights entitlements which would otherwise be provisionally allotted to Foreign Shareholders may be sold by the Company, which could affect the trading price of the "nil-paid" Rights entitlements. The market price of the "nil-paid" Rights may not reflect their actual value.

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(f) Investors may experience future dilution in the value of their Shares

The Group may need to raise additional funds in the future to finance the repayment of borrowings, expansion of new developments relating to the Group's existing operations and/or to finance future investments. If additional funds are raised through the issuance by the Company of new Shares other than on a *pro rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

(g) Warrants may expire and become worthless

The Warrants issued pursuant to the Rights cum Warrants Issue have an Exercise Period of three (3) years. In the event that the Warrants are not exercised by the end of the Exercise Period, they will expire and be worthless to the holders thereof.

(h) Potential dilution in the event that Entitled Shareholders' Warrants are not exercised

In the event that an Entitled Shareholder does not exercise any Warrants taken up under the Rights cum Warrants Issue while the other Warrants issued are exercised, such Entitled Shareholder's interest in the Company may be diluted.

-
- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
-

Not applicable, because there is no profit forecast disclosed.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
-

Not applicable, because there is no profit forecast or profit estimate disclosed.

- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**
-

Not applicable, because there is no profit forecast disclosed.

- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part–**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**

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- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable, because there is no profit forecast disclosed.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part–

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable, because there is no profit forecast disclosed.

Significant Changes

15. Disclose any event that has occurred from the end of–

- (a) the most recent completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period, to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in the announcements of the Company on SGXNet from time to time and/or in this Offer Information Statement, the Directors are not aware of any event which has occurred since the end of 1Q2018 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of “published”

16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNet.
-

Noted.

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PART VI – THE OFFER AND LISTING

Offer and Listing Details

- 1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**
-

The Issue Price for each Rights Share is S\$0.062, payable in full upon acceptance and application, with one (1) free detachable Warrant given with every one (1) Rights Share subscribed.

The Exercise Price for each Warrant is S\$0.068 payable in full upon exercise of the Warrants (subject to adjustments under certain circumstances as provided in the Deed Poll).

The expenses incurred in connection with the Rights cum Warrants Issue will not be specifically charged to the subscribers or purchasers of the Rights Shares with Warrants. The expenses associated with the Rights cum Warrants Issue will be deducted from the gross proceeds received by the Company from the Rights cum Warrants Issue.

An administrative fee will be charged by the relevant Participating Banks for each successful application made through the ATMs of the Participating Banks, and such administrative fee will be borne by the subscribers of the Rights Shares.

- 2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
-

The Shares are, and the Rights Shares and Warrant Shares will be, traded on the Catalist.

There is no established market for the Warrants. The Exercise Price of S\$0.068 for each Warrant Share was determined by the Company, after taking into consideration the current trading price of the Shares, the Issue Price of the Rights Shares, and the length of the Exercise Period of the Warrants.

The Issue Price and Exercise Price represents a discount of:

- (a) approximately 26.2% and 19.0% respectively to the last traded price of S\$0.084 per Share for Shares traded on Catalist on 21 May 2018, being the last full Market Day (as defined below) before the Announcement on which Shares were traded on the SGX-ST; and
- (b) approximately 19.5% and 11.7% respectively to the theoretical ex-rights price of S\$0.077 per Share (being the theoretical market price of each Share assuming maximum number of Rights Shares are issued at the Issue Price, and is calculated based on the closing price of S\$0.084 per Share for trades done on Catalist on 21 May 2018, being the last Market Day of the date of the Announcement). For the avoidance of doubt, the theoretical ex-rights price computations do not include the new Shares to be issued from the exercise of the Warrants.

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3. If –
- (a) any of the relevant entity’s shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and
 - (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived, indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.
-

None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares with Warrants.

As there may be prohibitions or restrictions against the offering of the Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the “**Eligibility of Shareholders to Participate in the Rights cum Warrants Issue**” section of this Offer Information Statement for further details.

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange –
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –
 - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
 - (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities–
 - (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
 - (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
 - (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.
-

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The Rights Shares and the Warrant Shares to be issued upon any exercise of the Warrants are of the same class as the Shares and the Shares are listed for quotation on the Catalist.

- (a) The price range and volume of the Shares traded on the SGX-ST over the last 12 months immediately preceding the Latest Practicable Date for the period from 1 July 2017 to the Latest Practicable Date are as follows:-

	Price Range		Volume (‘000) ⁽³⁾
	Low (S\$) ⁽¹⁾	High (S\$) ⁽²⁾	
July 2017	0.063	0.074	336
August 2017	0.064	0.084	4,970
September 2017	0.059	0.105	48,360
October 2017	0.091	0.117	72,620
November 2017	0.090	0.109	8,860
December 2017	0.090	0.102	1,690
January 2018	0.093	0.102	1,200
February 2018	0.093	0.108	567
March 2018	0.080	0.103	1,370
April 2018	0.085	0.095	1,360
May 2018	0.065	0.099	2,840
June 2018	0.060	0.074	1,320
1 July 2018 to the Latest Practicable Date	0.058	0.074	573

Source: Bloomberg Finance L.P.⁽⁴⁾

Notes:

- (1) Based on the lowest closing price for the Shares in a particular month.
 - (2) Based on the highest closing price for the Shares in a particular month.
 - (3) Based on total volume of the Shares traded in a particular month.
 - (4) Bloomberg Finance L.P. has not consented to the inclusion of the information above, and is not liable for such information under Sections 253 and 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of these information.
- (b) Not applicable. The Shares have been listed on the Catalist for more than 12 months immediately preceding the Latest Practicable Date.
- (c) There has been no trading suspension of the Shares on the SGX-ST during the 3 years immediately preceding the Latest Practicable Date.
- (d) Please refer to paragraph 4(a) of this Part VI for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 July 2017 to the Latest Practicable Date. Based on the information set out therein, the Shares are regularly traded on Catalist.

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5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –
- (a) a statement of the rights, preferences and restrictions attached to the securities being offered; and
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.
-

The Rights Shares and the Warrant Shares, when issued, will rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares or the Warrant Shares (as the case may be).

The Rights Shares with Warrants and the Warrant Shares are to be issued pursuant to the ordinary resolution relating to the general share issue mandate passed by the Shareholders at the annual general meeting held on 30 April 2018. The issue of the Rights Shares with Warrants and the Warrant Shares have also been authorised by resolutions of the Board of Directors passed on 21 May 2018.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.
-

The Rights cum Warrants Issue will be offered on a renounceable, non-underwritten basis by the Company to Entitled Shareholders on the basis of one (1) Rights Share for every two (2) Shares held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given for every one (1) Rights Share subscribed, fractional entitlements to be disregarded, each Warrant carrying the right to subscribe for one (1) Warrant Share.

Entitled Shareholders will be at liberty to accept (in full or in part), decline, or otherwise renounce or in the case of Entitled Depositors only, trade their provisional allotments of the Rights Shares with Warrants on Catalist during the provisional allotment trading period prescribed by SGX-ST and are eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue. For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or the renounees) shall be entitled to apply for additional Rights Shares with Warrants in excess of their provisional allotments. The Rights cum Warrants Issue cannot be withdrawn after the commencement of ex-rights trading.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders' provisional allotments of Rights Shares with Warrants and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy Excess Applications for Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the best interests of the Company.

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It is hereby disclosed and confirmed that, in the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Entitled Shareholders (if such Entitled Shareholder chooses to subscribe for its *pro rata* Rights Shares with Warrants entitlement) to avoid placing the relevant Entitled Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully.

As there may be prohibitions or restrictions against the offering of the Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the “**Eligibility of Shareholders to Participate in the Rights cum Warrants Issue**” section of this Offer Information Statement for further details.

The allotment and issue of the Rights Shares with Warrants pursuant to the Rights cum Warrants Issue is governed by the terms and conditions as set out in this Offer Information Statement, including Appendices B, C and D of this Offer Information Statement, the PAL, the ARE and the ARS.

The Rights Shares with Warrants are not offered through the selling efforts of any broker or dealer.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

Not applicable. The Rights cum Warrants Issue is not underwritten.

Nonetheless, the Undertaking Shareholder has provided an Irrevocable Undertaking to subscribe and pay for his entire *pro rata* entitlement of 92,720,270 Rights Shares.

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PART VII – ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.
-

Not applicable, because no statement or report attributed to a person as an expert is included in this Offer Information Statement.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert —
- (a) state the date on which the statement was made;
 - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and
 - (c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.
-

Not applicable, because no statement has been made by an expert in this Offer Information Statement.

3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the Offer Information Statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.
-

Not applicable, because no statement has been made by an expert in this Offer Information Statement.

Consents from Issue Managers and Underwriters

4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.
-

UOB Kay Hian Private Limited, the Manager of the Rights cum Warrants Issue and the Sponsor, has given and has not, before the lodgement of this Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority, withdrawn its written consent to being named in this Offer Information Statement as the Manager to the Rights cum Warrants Issue with the inclusion herein of its name and all references hereto, and the statements in the section entitled "**Sponsor and Manager's Responsibility Statement**" in this Offer Information Statement, in the form and context which they are included in this Offer Information Statement.

No underwriter has been appointed in relation to the Rights Cum Warrants Issue.

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Other Matters

5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly —
- (a) the relevant entity's business operations or financial position or results; or
 - (b) investments by holders of securities in the relevant entity.
-

Saved as disclosed in this Offer Information Statement and to the best of their knowledge, the Directors are not aware of any other particulars of any other matters not disclosed under any other paragraph of this Offer Information Statement which could materially affect, directly or indirectly, the Company's business operations or financial position or results or investments by the holders of securities in the Company.

**PART VIII – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF
DEBENTURES OR UNITS OF DEBENTURES**

Not applicable.

PART IX – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

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**PART X – ADDITIONAL INFORMATION REQUIRED FOR
OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE**

1. Provide –
(a) the particulars of the rights issue;
-

Principal Terms of the Rights Shares

Number of Rights Shares : Up to 162,470,151 Rights Shares (with up to 162,470,151 free detachable Warrants).

Basis of Provisional Allotment : The Rights cum Warrants Issue is made on a renounceable basis to Entitled Shareholders on the basis of one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given for every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

Issue Price : S\$0.062 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price represents a discount of approximately 26.2% to the last traded price of S\$0.084 per Share for Shares traded on Catalist on 21 May 2018, being the Market Day immediately preceding the Announcement on which Shares were traded on the Catalist of the SGX-ST.

Eligibility to participate : Please refer to the section entitled “**Eligibility of Shareholders to Participate in the Rights Cum Warrants Issue**” of this Offer Information Statement.

Status of the Rights Shares : The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid on such Record Date which falls on or before the date of issue of the Rights Shares.

Listing of the Rights Shares : The Company has on 4 June 2018 obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares on Catalist, subject to the following:

- (a) compliance with the SGX-ST’s listing requirements; and
- (b) submission of a confirmation that a sufficient spread in the Warrants as required under Rule 826 of the Catalist Rules is complied with.

The Rights Shares, the Warrants and the Warrant Shares will be admitted to SGX-ST after the certificates relating thereto have been issued and the notification letters from CDP have been despatched.

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The listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its Subsidiaries and their securities.

Acceptance and Excess Application : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or in the case of Entitled Depositors only, trade their provisional allotments of Rights Shares with Warrants on Catalist during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders' provisional allotments of Rights Shares and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy Excess Applications (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the best interests of the Company.

In the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

Trading of the Rights : Eligible Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST can do so during the trading period for the "nil-paid" Rights.

Eligible Depositors should note that the provisional allotments of Rights Shares are expected to be tradable in board lot sizes of 100. Eligible Depositors who wish to trade in lot sizes other than these board lot sizes, can do so on the SGX-ST's unit share market.

Trading of the Rights Shares : Upon the listing and quotation of the Rights Shares on Catalist, the Rights Shares will be traded on Catalist under the book-entry (scripless) settlement system. For the purposes of trading on Catalist, each board lot of Shares will comprise of 100 Shares.

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Scaling Down : Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Entitled Shareholders (if such Entitled Shareholder chooses to subscribe for its *pro rata* Rights Shares with Warrants entitlement) to avoid placing the relevant Entitled Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully.

Use of CPF Investment Accounts and SRS Funds : CPFIS Shareholders can only use, subject to applicable CPF rules and regulations, their CPF Funds for the payment of the Issue Price to subscribe for the Rights Shares and (if applicable) apply for excess Rights Shares. CPFIS Shareholders who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved banks, where such CPFIS Shareholders hold their CPF investment accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for the excess Rights Shares on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF funds or stock limit, CPFIS Shareholders could top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for excess Rights Shares. Any application made directly to the CDP or through ATMs will be rejected. CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

SRS Shareholders who had previously bought Shares using SRS Funds and who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants can only do so, subject to applicable SRS rules and regulations, using SRS Funds. Such SRS Shareholders who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants using SRS Funds, must instruct their respective SRS Approved Banks, with which they hold their SRS Accounts, to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants on their behalf in accordance with this Offer Information Statement. Such SRS Shareholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants. SRS Shareholders are advised to provide their respective SRS Approved Banks with which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in

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order for their respective SRS Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by SRS Shareholders to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected. SRS Funds, however, cannot be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.

All Entitled Shareholders should refer to this Offer Information Statement for important details relating to the offer procedure in connection with the Rights cum Warrants Issue.

- Irrevocable Undertakings** : The Undertaking Shareholder has executed a letter of irrevocable undertaking dated 26 April 2018 (the “**Letter of Undertaking**”) in favour of the Company, pursuant to which the Undertaking Shareholder unconditionally and irrevocably undertakes, *inter alia*:-
- (a) to subscribe and pay in full (or procure subscription and payment for) for his entire *pro rata* entitlement of 92,720,270 Rights Shares (“**Undertaking Shares**”), or such other number of Rights Shares which are provisionally allotted to the Undertaking Shareholder pursuant to the Rights cum Warrants Issue due to any changes after the date of Letter of Undertaking, at the Rights Issue Price and in accordance with the terms of the Rights cum Warrants Issue, no later than the Closing Date;
 - (b) to ensure that the Undertaking Shareholder remains as the beneficial owner of the Existing Shares up to and including the Closing Date, and will not, during the period commencing from the date of this letter until the Closing Date, sell, transfer or otherwise dispose of or encumber any of the shares held by the Undertaking Shareholder as at the date of the Letter of Undertaking;
 - (c) that the Undertaking Shareholder shall have the necessary and sufficient financial resources to comply with the Undertaking Shareholder’s obligations to subscribe for and pay for in full all the Undertaking Shares; and
 - (d) to do all such acts and things and execute all such documents as may be reasonably required to give effect to his undertakings in the Letter of Undertaking.
- Non-underwritten basis** : The Rights cum Warrants Issue will not be underwritten.
- Governing Law** : Laws of the Republic of Singapore.

**DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE
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Principal Terms of the Warrants

- Number of Warrants** : Up to 162,470,151 Warrants to be issued free together with the Rights Shares.
- Basis of Allotment** : One (1) free detachable Warrant with every one (1) Rights Share subscribed, fractional entitlements to be disregarded.
- Detachability and trading** : The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form and are intended to be listed and quoted on the SGX-ST, subject to, among others, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 100 Warrants.
- Listing of the Warrants and Warrant Shares** : The Company has been informed by the SGX-ST on 4 June 2018 of the grant of the listing and quotation notice from the SGX-ST for the listing and quotation of the Warrants and the Warrant Shares on the SGX-ST subject to certain conditions. The listing and quotation notice granted by the SGX-ST is not an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its subsidiaries and their securities.
- Form and subscription rights** : The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warrantholder, at any time during the Exercise Period, to subscribe for one (1) Warrant Share at the Exercise Price in force on the relevant date of exercise of the Warrants.
- Exercise Price** : S\$0.068 for each Warrant Share on the exercise of a Warrant, which price will be subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants as set out in a Deed Poll.
- The Exercise Price represents a discount of approximately 19.0% to the last traded price of S\$0.084 per Share for Shares traded on Catalist on 21 May 2018, being the market day immediately preceding the Announcement on which Shares were traded on the Catalist of the SGX-ST.
- Exercise Period** : The Warrants may be exercised at any time during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the day immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the Warrants shall expire on the date prior to closure of the Register of Members of the Company or on the immediately preceding Market Day, as the case may be (but excluding

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such period(s) during which the Register of Warrantheolders may be closed), subject to the terms and conditions of the Warrants to be set out in the Deed Poll. The right to exercise the Warrants will not be extended beyond the Exercise Period.

The Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose. The Company will make an announcement regarding the expiry of the Exercise Period. The Company shall send a notice of expiry of the Exercise Period to Warrantheolders one (1) month before the expiry of the Exercise Period, in such manner as shall be provided for in the Deed Poll.

Mode of payment for exercise of Warrants : Warrantheolders who exercise their Warrants must pay the Exercise Price by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company for the full amount of the Exercise Price payable in respect of the Warrants exercised.

Adjustments : The Exercise Price and the number of Warrants to be held by each Warrantheolder will be subject to adjustments under certain circumstances provided for in the terms and conditions of the Warrants as set out in the Deed Poll.

Such circumstances include, without limitation, consolidation, subdivision or conversion of the Shares, capitalisation issues, rights issues and certain capital distributions.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* with the Warrants and will for all purposes form part of the same series. Any such adjustments shall (unless otherwise provided under the Catalist Rules from time to time) be announced by the Company on SGXNet.

Status of Warrant Shares : The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid on such Record Date which falls before the date of exercise of the Warrants.

Modifications : The Company may, without the consent of the Warrantheolders but in accordance with the terms and conditions of the Deed Poll, effect modifications to the terms and conditions of the Deed Poll including, without limitation, the terms and conditions of the Warrants, which, in the opinion of the Company, (i) is not materially prejudicial to the interests of the Warrantheolders or is of a formal, technical or minor nature; (ii) is to correct a manifest error or to comply with mandatory provisions of Singapore law; or (iii) is to vary or replace provisions relating to the transfer or exercise of the Warrants, including the issue of Warrant Shares arising from the exercise thereof or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST.

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Any such modification shall be binding on all Warranholders and all persons having an interest in the Warrants and shall be notified to them in accordance with the terms and conditions of the Warrants as set out in the Deed Poll, as soon as practicable thereafter.

Without prejudice to any provision of the Deed Poll, any material alteration to the terms and conditions of the Warrants to the advantage of the Warranholders is subject to the approval of Shareholders except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.

Transfer and Transmission : The Warrants shall be transferable in lots entitling Warranholders to subscribe for whole numbers of Warrant Shares. A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants set out in the Deed Poll including, *inter alia*, the following:

Warrants not registered in the name of CDP

- (i) Lodgement of Certificates and Transfer Forms – a Warranholder whose Warrants are registered in his own name (the “**Transferor**”) shall lodge, during normal business hours on any Business Day so as to be received at the specified office of the Warrant Agent, the Transferor’s warrant certificate(s) together with an instrument of transfer (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll, provided that the Company and the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to CDP. A Transferor shall be deemed to remain a Warranholder until the name of the transferee is entered in the Register of Warranholders by the Warrant Agent;

Deceased Warranholder

- (ii) Deceased Warranholder – the executors and administrators of a deceased Warranholder and, in the case of one or more of several such joint Warranholders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having title to Warrants registered in the name of a deceased Warranholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and the payment of the fees and expenses set out in the Deed Poll, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased holder could have made; and

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Warrants registered in the CDP

- (iii) Where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Registry by CDP by way of book-entry. A Depositor shall be deemed to remain a Warranholder until the name of the transferee is entered in the Depository Registry by CDP.
- (iv) Effective Date of Transfer – A Transferor shall be deemed to remain a Warranholder until the name of the transferee is entered in the Register of Warranholders by the Warrant Agent, as the case may be.

Winding-up

- :
- Where there is a members' voluntary winding-up of the Company (other than a winding-up for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warranholders by way of an extraordinary resolution), the Warranholders shall be entitled upon and subject to the conditions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, elect to be treated as if they had immediately prior to the commencement of such winding-up exercised the Warrants and had on such date been the holders of the Warrant Shares to which they would have been entitled pursuant to such exercise, and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warranholders in accordance with the conditions of the Deed Poll of the passing of any such resolution within seven (7) Business Days after the passing thereof. Where a Warranholder has elected to be treated as if it had exercised its Warrants as aforesaid, it shall be liable to pay the Exercise Price in relation to such exercise.

Subject to the foregoing, if the Company is wound up for any other reason, all Warrants which have not been exercised at the date of the commencement of winding up shall lapse and cease to be valid for any purpose.

Further Issues

- :
- Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and to issue further subscription rights, upon such terms and conditions as the Company sees fit but the Warranholders shall not have any participating rights in such further issues of Shares or subscription rights unless otherwise resolved by the Company in general meeting.

**Use of CPF Investment
Accounts**

- :
- CPF members may use their savings in their CPF Investment Accounts (subject to the availability of investible savings) for the payment of the Exercise Price upon exercise of the Warrants (in which case the Warrant Shares arising therefrom will be held through the CPF Investment Account).

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Warrant Agent : Boardroom Corporate & Advisory Services Pte. Ltd.

Governing Law : Laws of the Republic of Singapore

(b) The last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

The last date and time for the splitting of the provisional allotment of the Rights Shares with Warrants is on 25 July 2018, unless otherwise announced by the Company on SGXNet.

(c) The last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;

The last date and time for acceptance of and payment for the Rights Shares with Warrants is on 31 July 2018 at 5.00 p.m. (and 31 July 2018 at 9.30 p.m. for Electronic Applications via ATMs of Participating Banks), unless otherwise announced by the Company on SGXNet.

(d) The last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;

The last date and time for renunciation of and payment by the renounee for the Rights Shares with Warrants is on 31 July 2018 at 5.00 p.m. (and 31 July 2018 at 9.30p.m. for Electronic Applications via ATM of Participating Banks), unless otherwise announced by the Company on SGXNet.

(e) The terms and conditions of the offer of securities to be issued pursuant to the rights issue;

The terms and conditions of the Rights cum Warrants Issue are as set out in this Offer Information Statement, including Appendices A to D, and in the PAL, the ARE and the ARS.

(f) The particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

As at the date of this announcement, the Undertaking Shareholder, who is the Company's controlling shareholder, and Executive Chairman and Chief Executive Officer, holds 185,440,541 Shares ("**Existing Shares**"), representing 57.07% of Company's Existing Share Capital.

As an indication of the Undertaking Shareholder's support and commitment to the Company, the Undertaking Shareholder has executed the Letter of Undertaking in favour of the Company, pursuant to which the Undertaking Shareholder unconditionally and irrevocably undertakes, *inter alia*:-

- (a) to subscribe and pay in full (or procure subscription and payment for) for his entire *pro rata* entitlement of 92,720,270 Rights Shares ("**Undertaking Shares**"), or such other number of Rights Shares which are provisionally allotted to the Undertaking Shareholder pursuant to the Rights cum Warrants Issue due to any changes after the

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date of Letter of Undertaking, at the Rights Issue Price and in accordance with the terms of the Rights cum Warrants Issue, no later than the Closing Date;

- (b) to ensure that the Undertaking Shareholder remains as the beneficial owner of the Existing Shares up to and including the Closing Date, and will not, during the period commencing from the date of this letter until the Closing Date, sell, transfer or otherwise dispose of or encumber any of the Existing Shares; and
- (c) that the Undertaking Shareholder shall have the necessary and sufficient financial resources to comply with the Undertaking Shareholder's obligations to subscribe for and pay for in full all the Undertaking Shares; and
- (d) to do all such acts and things and execute all such documents as may be reasonably required to give effect to his undertakings in the Letter of Undertaking.

(g) If the rights issue is or will not be underwritten, the reason for not underwriting the issue.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights cum Warrants Issue because the working capital available to the Group is sufficient to meet its present requirements. Hence, in view of the aforesaid and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE SGX-ST LISTING MANUAL
SECTION B: RULES OF CATALIST**

1. **Provide a review of the working capital for the last three financial years and the latest half year, if applicable.**
-

The working capital of the Group as at FY2015, FY2016 and FY2017 are set out below:

	<u>FY2015</u> US\$'000	<u>FY2016</u> US\$'000	<u>FY2017</u> US\$'000
Total Current Assets	19,049	19,609	35,260
Total Current Liabilities	2,725	7,444	12,500
Net Working Capital	16,324	12,165	22,760

A review of the working capital of the Group as at FY2015, FY2016 and FY2017 is set out below:

As at 31 December 2015 compared to 31 December 2014

As at 31 December 2015, cash and bank balances decreased to US\$9.0 million from US\$13.32 million as at 31 December 2014, which was mainly attributable to the payment of warranty claims, income taxes and trade and operating expenses.

Trade and other payables increased to US\$2.40 million as at 31 December 2015 from US\$2.06 million as at 31 December 2014 due mainly to the provision of tax penalties and interest on reassessed income taxes of the subsidiary in Cambodia. Income tax payable decreased to US\$0.29 million as at 31 December 2015 from US\$0.67 million as at 31 December 2014. This was due mainly to higher income tax payable for fair value gain on investment property in FY2014, which was partially offset by an underprovision of income taxes in prior years of the subsidiary in Cambodia.

As at 31 December 2016 compared to 31 December 2015

Trade and other receivables increased to US\$5.25 million as at 31 December 2016 from US\$0.05 million as at 31 December 2015 due mainly to the consolidation of ATS balances. As at 31 December 2016, cash and cash equivalents decreased to US\$14.27 million from US\$19.00 million a year ago due mainly to the cash consideration paid for the acquisition of ATS, payment of professional fees for corporate exercises, operating expenses and income taxes as well as repayment of bank borrowings and finance lease payables, which were partly offset by dividend income received from associate.

Trade and other payables increased to US\$5.33 million as at 31 December 2016 from US\$2.40 million as at 31 December 2015 due mainly to the consolidation of ATS balances. The provisions figure of US\$0.32 million as at 31 December 2016 was due to the consolidation of ATS balances which comprised of provision for defect liabilities in relation to the completed projects of the construction and engineering business. Income tax payable increased to US\$1.20 million as at 31 December 2016 from US\$0.29 million as at 31 December 2015 due mainly to the tax on fair value gain on investment property and the consolidation of ATS balances. Finance lease payables increased to US\$0.31 million as at 31 December 2016 from US\$0.04 million as at 31 December 2015 due mainly to the consolidation of ATS balances which were incurred to finance the purchase of machinery and vehicles used for the construction and engineering business.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE SGX-ST LISTING MANUAL
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As at 31 December 2017 compared to 31 December 2016

The Group's development property on 6 Nim Drive, Singapore amounted to US\$3.31 million as at 31 December 2017 including the cost of land, stamp duty on land transfer and other expenses incurred. Due from customers for contract work increased to US\$0.83 million as at 31 December 2017 from US\$0.02 million as at 31 December 2016 due mainly to increase in the number of projects where costs incurred exceeded progress billings. Trade and other receivables increased to US\$9.95 million as at 31 December 2017 from US\$5.25 million as at 31 December 2016 due mainly to higher revenue recorded by the Group's construction and engineering segment in fourth quarter ended 31 December 2017 ("4Q 2017") and translation gain on receivables balances denominated in Singapore dollars. The Group's total cash and cash equivalents increased from US\$14.27 million as at 31 December 2016 to US\$21.07 million as at 31 December 2017 due mainly to proceeds from disposal of investment property in Cambodia, partly offset by cash paid for the investment in joint ventures, loans extended to the joint venture projects, operating expenses and income taxes as well as repayment of bank borrowings and finance lease payables.

Trade and other payables increased to US\$6.85 million as at 31 December 2017 from US\$5.33 million as at 31 December 2016 due mainly to higher purchases of construction materials for the Group's construction and engineering segment in 4Q 2017 and translation loss on payables balances denominated in Singapore dollars. Income tax payable increased to US\$2.44 million as at 31 December 2017 from US\$1.20 million as at 31 December 2016 due mainly to provision for tax on gain on disposal of investment property in Cambodia, and partly offset by write-back of overprovision of income taxes in prior years. Bank borrowings increased to US\$2.54 million as at 31 December 2017 from US\$0.28 million as at 31 December 2016 due mainly to a new loan being undertaken to finance the land acquisition of 6 Nim Drive, Singapore.

2. Convertible Securities

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Catalist Rules.**
- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

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- (i) For information required under Rule 832(1) to Rule 832(8) of the Catalist Rules, please refer to (i) paragraph 1 of Part X – Additional Information required for Offer of Securities by way of Rights Issue in the section entitled "Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005" and (ii) Appendix A of this Offer Information Statement.

For information required under Rule 832(9) of the Catalist Rules, please refer to paragraph 3 of Part IV – Key Information in the section entitled "Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005" of this Offer Information Statement.

For information required under Rule 832(10) of the Catalist Rules, please refer to paragraphs 1 and 4 of Part V – Operating and Financial Review and Prospects in the section entitled "Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005" of this Offer Information Statement.

- (ii) Not applicable, because the exercise price is not based on a price-fixing formula.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE SGX-ST LISTING MANUAL
SECTION B: RULES OF CATALIST**

3. Sponsor and Manager's Responsibility Statement

UOB Kay Hian Private Limited, the Manager and Sponsor, confirms that, to the best of its knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts relating to the Rights cum Warrants Issue, the Company and its subsidiaries and that it is not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading.

No profit forecast is contained in this Offer Information Statement.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

The warrants to subscribe for new ordinary Shares in the capital of **Ocean Sky International Limited** (the “**Company**”) (the “**Warrants**”), are issued in conjunction with the renounceable non-underwritten rights issue of up to 162,470,151 new ordinary Shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.062 for each Rights Share (the “**Issue Price**”) with up to 162,470,151 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) new ordinary Share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.068 for each Warrant Share, on the basis of one (1) Rights Share for every two (2) existing ordinary Shares in the capital of the Company held by the **Shareholders** (as defined below) as at the **Books Closure Date** (as defined below), and one (1) Warrant given for every one (1) Rights Share subscribed, fractional entitlements to be disregarded (the “**Rights cum Warrants Issue**”).

The Rights cum Warrants Issue is undertaken pursuant to the general share issue mandate approved by Shareholders at the AGM held on 30 April 2018. The Rights cum Warrants Issue has also been authorised by resolutions of the board of directors (the “**Directors**”) passed on 21 May 2018.

Copies of the Deed Poll are available for inspection at the specified office of the warrant agent referred to in Condition 4.6 (the “**Warrant Agent**”). The holders of the Warrants (the “**Warrantholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all provisions of the Deed Poll.

The statements in these Terms and Conditions of the Warrants (the “**Conditions**”) are an extract of the Deed Poll, and are subject to the provisions of the Deed Poll:

1. DEFINITIONS

Terms defined in the Deed Poll but not specifically defined in these Conditions shall, unless the context otherwise required, have the same meanings when used in this Conditions.

2. FORM, TITLE AND WARRANT REGISTER

2.1 The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 10. The Warrant Agent will maintain the Warrant Register on behalf of the Company and except as required or provided by law:

- (a) the registered holder of the Warrants (other than CDP); and
- (b) (where the registered holder of the Warrants is CDP) each Depositor for the time being appearing in the records maintained by CDP as having Warrants credited to its Securities Account(s),

will be deemed to be and treated as the absolute owner of that Warrant and as the holder of all the rights and interests in the number of Warrants so entered (whether or not the Company shall be in default in respect of the Warrants or any of the covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft or forgery of the relevant Warrant Certificate or any express notice to the Company or Warrant Agent or any other related matters) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes in connection with the Warrants.

2.2 If two (2) or more persons are entered in the Warrant Register or, (as the case may be) the records maintained by the CDP, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:

- (a) the Company shall not be bound to register more than two (2) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or trustees of a deceased Warrantholder;
- (b) joint holders of any Warrant whose names are entered in the Warrant Register shall be treated as one (1) Warrantholder;

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

- (c) the Company shall not be bound to issue more than one (1) Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Warrant Register shall be sufficient delivery to all; and
- (d) the joint holders of any Warrant whose names are entered in the Warrant Register or (as the case may be) the relevant records maintained by CDP shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant as well as in connection with the exercise of any such Warrant.

3. EXERCISE RIGHTS

- 3.1 Upon and subject to these Conditions, each Warranholder shall have the right, by way of exercise of each Warrant held by the Warranholder, at any time during the Exercise Period, in the manner set out in Condition 4 and otherwise on the terms and subject to these Conditions, to subscribe for one (1) Warrant Share at the Exercise Price (subject to adjustments in accordance with Condition 5) on the Exercise Date applicable to such Warrant. The Exercise Price shall, on the Exercise Date, be applied towards payment for the Warrant Share to be issued on the exercise of the relevant Warrant. Each Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Company. Such payment shall not be refunded and no fraction of a Share shall be allotted.
- 3.2 At the expiry of the Exercise Period, any Warrants which have not been exercised in accordance with Condition 4 shall lapse and cease to be valid for any purpose.
- 3.3 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out under Condition 4 below to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.
- 3.4 Warrant Shares allotted and issued upon exercise of the Warrants shall be fully paid and shall rank for any dividends, rights, allocations or other distributions, the Record Date (as defined hereafter) for which is on or after the relevant Exercise Date (subject as aforesaid), *pari passu* in all respects with the then existing Shares of the Company. For the purpose of this Condition 3.4, “**Record Date**” means, in relation to any dividends, rights, allocations or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in dividends, rights, allocations or other distributions.
- 3.5 The Company shall, not later than one (1) month before the expiry of the Exercise Period:
 - (i) give notice to the Warranholders in accordance with Condition 12 of the expiry of the Exercise Period and notify the same to SGX-ST; and
 - (ii) take reasonable steps to despatch to the Warranholders notices in writing to their addresses recorded in the Warrant Register of the expiry of the Exercise Period.

Without prejudice to the generality of the foregoing, Warranholders who acquire Warrants after notice of the expiry of the Exercise Period has been given in accordance with the aforementioned shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with Condition 12. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

4. PROCEDURE FOR EXERCISE OF WARRANTS

4.1 Lodgement Conditions

4.1.1 In order to exercise the Warrant(s), a Warrantholder must before 3.00 p.m. on any Market Day during the Exercise Period and before 5.00 p.m. on the Expiration Date:

(a) Lodgement of Warrant Certificates and Exercise Notice

Lodgement of the relevant Warrant Certificate registered in the name of the exercising Warrantholder for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Warrants represented thereby in the form (for the time being current) obtainable from the Warrant Agent, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided always that the Warrant Agent may dispense or defer with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of CDP;

(b) Further Evidence

The furnishing of such evidence (if any, including evidence of nationality) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise ensure the due exercise of the Warrants and such other evidence as the Company may require to verify due compliance for the purposes of administering and implementing the provisions set out in these Conditions;

(c) Payment of Exercise Price

The payment or satisfaction of the Exercise Price in accordance with the provisions of Condition 4.2 below;

(d) Fees and Expenses

The payment of expenses or other fees payable to, CDP (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and

(e) Other Requirements

If applicable, the payment of any fees for certificates for the Warrant Shares to be issued and the expenses of, and the submission of any necessary documents required in order to effect the delivery of certificates for the Warrant Shares, upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to CDP (as the case may be).

4.1.2 Warrants Registered in CDP's Name

Any exercise of Warrants registered in the name of CDP shall be conditional on that number of Warrants so exercised being available in the “**Free Balance**” of the Securities Account of the exercising Warrantholder with CDP until the relevant Exercise Date and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the Warrant Shares arising from the exercise of the relevant Warrants to be effected by crediting such Shares to the Securities Account of the exercising Warrantholder, or, in the case where funds standing to the credit of a CPF Investment Account are to be used for the payment of the Exercise Price arising from the exercise of each Warrant, by crediting such Shares to the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

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4.1.3 Non-Compliance with Lodgement Conditions

An Exercise Notice which does not comply with the conditions above shall be void for all purposes. Warranholders whose Warrants are registered in the name of CDP irrevocably authorise the Company and the Warrant Agent to obtain from CDP and to rely upon such information and documents as the Company or the Warrant Agent deems necessary to satisfy itself that all the abovementioned conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and the Deed Poll and to take such steps as may be required by CDP (including the steps set out in CDP's "Guidelines to the Procedures for Exercise of Warrants/TSR's (Warrants)" as amended from time to time) in connection with the operation of the Securities Account of any Warranholder, Provided that the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by any Warranholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the Depository Register or the records of and information supplied by or statements or certificates of CDP.

4.1.4 Once all the abovementioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any monies tendered in connection with the exercise of the Warrant(s) in accordance with Condition 4.2 may not be withdrawn without the prior written consent of the Company.

4.2 Payment of Exercise Price

4.2.1 Payment of the Exercise Price shall be made at the specified office for the time being of the Warrant Agent by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore and/or (if applicable, where the use of CPF funds for payment of the Exercise Price is allowed by the CPF Board) debiting the CPF Investment Account with the CPF Approved Bank, for the credit of the Special Account for the full amount of the monies payable in respect of the Warrant(s) exercised under Condition 4.1.

PROVIDED ALWAYS that any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to below and shall comply with any exchange control or other statutory requirements for the time being applicable.

4.2.2 Any payment under this Condition 4.2 shall be made free of any foreign exchange commissions, remittance charges or other deductions and shall be accompanied by a payment advice containing (a) the name of the exercising Warranholder, (b) the number of Warrants exercised and (c) the certificate number(s) of the relevant Warrant Certificate(s) or, if the relevant Warrant Certificates are registered in the name of CDP, the Securities Account(s) of the exercising Warranholder which is to be debited with the Warrants being exercised. In each case compliance must also be made with any exchange control or other statutory requirements for the time being applicable.

4.2.3 If the payment of the Exercise Price fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may be delayed accordingly or be treated as invalid and neither the Warrant Agent nor the Company shall be liable to the Warranholder in any manner whatsoever. If the relevant payment received by the Warrant Agent in respect of an exercising Warranholder's purported exercise of all the relevant Warrants lodged with the Warrant Agent is less than the full amount of all the monies payable under Condition 4.1, the Warrant Agent shall not treat the relevant amount so received or any part thereof as payment of such monies or any part thereof or forward the same to the Company, and the whole of such relevant payment shall remain in the Special Account unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 and Condition 4.4 below in an amount sufficient to cover the deficiency. The Company shall not be held responsible for any loss arising from the retention of any such payment by the Warrant Agent.

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4.2.4 Payment of the Exercise Price received by the Warrant Agent for credit to the Special Account will be available for release to the Company on the Business Day after the Exercise Date relating to the relevant Warrants in payment for the Warrant Shares to be delivered in consequence of the exercise of such Warrants. The relevant Warrants and Warrants Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of CDP, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from CDP of instructions as to the cancellation of the Warrant Certificates and the said Warrant Certificates.

4.3 Exercise Date

4.3.1 The relevant Warrant shall (provided that the provisions of this Condition 4 have been satisfied) be treated as exercised on the Exercise Date relating to that Warrant.

4.3.2 The relevant Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to the Warrant Certificates in the name of CDP, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from CDP of instructions as to the cancellation of the Warrants and the said Warrant Certificates.

4.4 Non-fulfilment of Lodgement Conditions

4.4.1 If payment of the Exercise Price is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount payable under Condition 4.1 or the conditions set out in Condition 4.1 or Condition 4.2 have not then all been fulfilled in relation to the exercise of such Warrants, pending recognition of such payment or full payment or, as the case may be, fulfilment of the conditions set out in Conditions 4.1 and 4.2, such payment will remain in the Special Account until it is returned, without interest, to the Warrantholder on (i) the fourteenth (14th) day after receipt of such Exercise Notice by the Warrant Agent, or (ii) the expiry of the Exercise Period, whichever is the earlier (if the Exercise Date in respect of such Warrants had not by then occurred). So long as the relevant Exercise Date has not occurred, any such payment (excluding any interest, if any, accrued thereon) will continue to belong to the Warrantholder but may only be withdrawn within the abovementioned fourteen (14) day period with the prior consent in writing of the Company.

4.4.2 The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable) and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice together with such payment to the exercising Warrantholder by ordinary post at the risk and expense of such Warrantholder. The Company and/or the Warrant Agent will be entitled to deduct or otherwise recover any applicable handling charges and out-of-pocket expenses from the exercising Warrantholder. So long as any particular payment remains credited to the Special Account and the relevant Exercise Date has not occurred, it (but excluding any interest accrued thereon) will continue to belong to the exercising Warrantholder but it may only be withdrawn within the abovementioned 14-day period with the consent in writing of the Company.

4.5 Allotment of Warrant Shares, Issue of Warrant Share Certificates and Status of Warrant Shares

4.5.1 Warrants Registered in the Name of CDP

Where a Warrantholder exercises Warrants which are registered in the name of CDP:

- (i) the Warrant Shares to be issued by the Company shall be issued in the name of, and delivered by the Company to, CDP for the credit of the Securities Account of that Warrantholder or, as the case may be, the nominee company of the CPF Approved Bank, as specified in the Exercise Notice within five (5) Market Days of the date on which the Warrant Agent confirms with CDP that the Warrants which have been tendered for exercise are available for exercise in the relevant Securities Account of the exercising Warrantholder; and

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- (ii) (where such Warrantheader exercises part only (and not all) of his Warrants registered in the name of CDP), the number of Warrants represented by the Warrant Certificate registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

4.5.2 Warrants Registered in Own Name

A Warrantheader exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical Share certificates in respect of the Warrant Shares arising from the exercise of such Warrants or to have the delivery of such Warrant Shares effected by crediting such Warrant Shares to his Securities Account with CDP (in which case such Warrantheader shall also duly complete and deliver to the Warrant Agent such forms as may be required by CDP) or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which such exercising Warrantheader shall be deemed to have elected to receive physical Share certificates in respect of such Warrant Shares at his address specified in the Warrant Register.

The Company will allot and issue the Warrant Shares arising from the exercise of the relevant Warrants by a Warrantheader in accordance with the instructions of such Warrantheader as set out in the Exercise Notice and:

- (a) where such Warrantheader has (or is deemed to have) elected in the Exercise Notice to receive physical certificates in respect of the Warrant Shares arising from the exercise of the relevant Warrants, the Company shall despatch the physical certificates, as soon as practicable but in any event not later than seven (7) Market Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice (or the Warrant Register, as the case may be) and at the risk of such Warrantheader; and
- (b) where the delivery of Warrant Shares arising from the exercise of the relevant Warrants is to be effected by the crediting of the Securities Account of such Warrantheader as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, the Company shall as soon as practicable but not later than five (5) Market Days after the relevant Exercise Date despatch the certificates relating to such Warrant Shares in the name of, and to, CDP for the credit of the Securities Account(s) of such Warrantheader as specified in the Exercise Notice (in which case, such Warrantheader shall also duly complete and deliver to the Warrant Agent such forms as may be required by the CDP, failing which such exercising Warrantheader shall be deemed to have elected to receive physical certificates in respect of such Warrant Shares at his address specified in the Warrant Register).

4.5.3 Where a Warrantheader exercises part only (but not all) of the subscription rights represented by the Warrants registered in his name, the Company shall despatch a balancing Warrant Certificate in the name of the exercising Warrantheader in respect of any Warrants remaining Unexercised by ordinary post to the address specified in the relevant Exercise Notice (or to his address specified in the Warrant Register, as the case may be) and at the risk of that Warrantheader.

4.5.4 The Warrant Shares will rank for any dividends, rights, allotments or other distributions, the Record Date for which shall fall on or after the relevant Exercise Date. Subject as aforesaid, the Warrant Shares shall rank *pari passu* in all other respects with the then existing Shares. For the purpose of this Condition 4.5, "Record Date" means, in relation to any dividends, rights, allotments or other distributions, the date on which as at the close of business, Shareholders must be registered with the Company, in order to participate in such dividends, rights, allotments or other distributions.

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4.6 Warrant Agent

4.6.1 The name of the initial Warrant Agent and its specified office is set out below and on the Warrant Certificate. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent PROVIDED ALWAYS THAT it will at all times maintain a Warrant Agent approved in writing by CDP having a specified office in Singapore, so long as any of the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the name or specified office of the Warrant Agent will be given to the Warrantheolders in accordance with Condition 12.

Warrant Agent : Boardroom Corporate & Advisory Services Pte. Ltd.

Specified office : 50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

4.7 Register of Warrantheolders

4.7.1 The Warrant Agent will maintain a register containing particulars of the Warrantheolders and such other information relating to the Warrants as the Company may require (the “**Warrant Register**”). The Warrant Register may be closed during such periods when the register of transfers and the Register of Members are deemed to be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants held by any Warrantheolder or during such other periods as the Company may determine. Notice of the closure of the Warrant Register will be given to the Warrantheolders in accordance with Condition 12.

4.7.2 Except as required by law or as ordered by a court of competent jurisdiction, the Company and the Warrant Agent shall be entitled to rely on the Warrant Register to ascertain the identity of the Warrantheolders, the number of Warrants to which any such Warrantheolders are entitled, to give effect to the exercise of the subscription rights constituted by the Warrants and for all other purposes in connection with the Warrants (whether or not the Company shall be in default in respect of the Warrants or any of the terms and Conditions contained herein or in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any claim on or loss or theft or forgery of any Warrant or Warrant Certificate).

5. **ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS**

5.1 The Exercise Price and the number of Warrants held by each Warrantheolder shall from time to time be adjusted by the Directors in consultation with an Approved Bank (at the option of the Company unless otherwise stated herein) in accordance with Condition 5.2, which adjustment shall be certified by the Auditors. The Exercise Price and the number of Warrants held by each Warrantheolder shall subject to Conditions 5.2 and 5.3 from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:

5.1.1 an issue by the Company of Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature or not and including any capital redemption reserve fund) to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

5.1.2 a Capital Distribution (as defined below) made by the Company to its Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);

5.1.3 an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights;

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- 5.1.4 an issue (otherwise than pursuant to a rights issue available to all Shareholders, requiring an adjustment under Condition 5.1.3 above, and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares if the Total Effective Consideration (as defined below) for each Share is less than ninety per cent. (90%) of the Last Dealt Price for each Share (calculated as provided below), provided that a share buy-back shall not require an adjustment to be made; or
- 5.1.5 any consolidation, subdivision or conversion of Shares (including a subdivision by way of a bonus issue by the Company of free warrants by way of capitalisation of profits or reserves).
- 5.2 Subject to these Conditions (and in particular Condition 5.3) and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 5.1.1 to 5.1.5 or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank and/or the Auditors shall determine):
- 5.2.1 If and whenever the Company shall make any issue of Shares to its Shareholders credited as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital redemption reserve fund, other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{A + B} \times P$$
$$\text{Adjusted number of Warrants} = \frac{A + B}{A} \times W$$

where:

- A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;
- B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);
- P = existing Exercise Price; and
- W = existing number of Warrants held.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue.

For the purpose of this Condition 5, “**record date**” in relation to the relevant transaction means the date as at the close of business on which Shareholders must be registered as such to participate therein.

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5.2.2 If and whenever:

- (a) the Company shall make a Capital Distribution (as defined below) to Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (b) the Company shall make any offer or invitation to its Shareholders under which they may acquire or subscribe for Shares by way of rights,

then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{C - D}{C} \times P$$

and in respect of each case referred to in Condition 5.2.2(b) above, the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{C}{C - D} \times W$$

where:

C = the average of the Last Dealt Prices on the five (5) Market Days immediately before the date on which the Capital Distribution (as defined below), or any offer or invitation referred to in Condition 5.2.2(b) above, as the case may be, is publicly announced or (failing any such announcement), immediately preceding the date of the Capital Distribution (as defined below) or, as the case may be, of the offer or invitation;

D = (i) in the case of an offer or invitation to acquire or subscribe for Shares by way of rights under Condition 5.2.2(b) above, the value of the rights attributable to one Share (as defined below); or (ii) in the case of any other transaction falling within Condition 5.2.2 above, the fair market value, as determined by an Approved Bank (with the concurrence of the Auditors), of that portion of the Capital Distribution (as defined below) or of the nil paid rights attributable to one Share;

P = as in P above; and

W = as in W above.

For the purpose of definition (i) of “D” above the **“value of the rights attributable to one Share”** shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

where:

C = as in C above;

E = the subscription price for one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and

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F = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights.

For the purposes of Conditions 5.1.2 and 5.2.2(a) above, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5.2.1) or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves (including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend).

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue pursuant to Condition 5.2.2(a).

5.2.3 If and whenever the Company makes any allotment to its Shareholders as provided in Condition 5.2.1 above and also makes any offer or invitation to its Shareholders as provided in Condition 5.2.2(b) above and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(G \times C) + (H \times E)}{(G + H + B) \times C} \times P$$

$$\text{Adjusted number of Warrants} = \frac{(G + H + B) \times C}{(G \times C) + (H \times E)} \times W$$

Where:

B = as in B above;

C = as in C above;

E = as in E above;

G = the aggregate number of issued and fully paid-up Shares on the record date;

H = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

P = as in P above; and

W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for the above transactions.

For the purposes of this Condition 5, “**closing date**” shall mean the date by which acceptance and payment for the Shares is to be made under the terms of such offer or invitation.

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5.2.4 If and whenever (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under Conditions 5.2.2(b) or 5.2.3 other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) the Company shall issue any Shares and the Total Effective Consideration (as defined below) for each Share is less than ninety per cent. (90%) of the average Last Dealt Price on SGX-ST on the five (5) Market Days before the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on SGX-ST for that day or on a day which is not a Market Day, on the prior Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{M + N}{M + O} \times P$$

where:

M = the number of Shares in issue at the close of business on SGX-ST on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;

N = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such average Last Dealt Price for the five (5) Market Days immediately preceding the date on which the issue price of such Shares is determined (exclusive of expenses);

O = the aggregate number of Shares so issued; and

P = as in P above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on SGX-ST on the Market Day before the date on which the issue is announced, or (failing any such announcement) before the date on which the Company determines the offering price of such Shares.

For the purpose of Conditions 5.1.4 and 5.2.4, the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and shall be the aggregate consideration receivable by the Company on payment in full for such Shares, without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

5.2.5 If, and whenever, consolidation, subdivision or conversion of the shares (including a subdivision by way of a bonus issue by the Company of free warrants by way of capitalisation of profits or reserves) occurs, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{B} \times P$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{B}{A} \times W$$

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where:

A = as in A above;

B = the aggregate number of issued and fully paid up shares immediately after such consolidation or sub-division or conversion;

P = as in P above; and

W = as in W above,

such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation, subdivision or conversion becomes effective.

5.3 Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants held by each Warrantholder will be required in respect of:

5.3.1 an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares to officers, including Directors, or employees of the Company or any of its subsidiaries pursuant to any purchase or option scheme approved by the Shareholders in general meeting;

5.3.2 an issue by the Company of Shares or other convertible securities into or right to acquire or subscribe for Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;

5.3.3 any issue by the Company of Shares pursuant to the exercise of any of the Warrants and any other warrants or the conversion of any convertible securities previously issued by the Company;

5.3.4 any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares and the issue of Shares arising from the conversion or exercise of such securities or rights, issued subsequent to the issue of Warrants, whether by itself or together with any other issue; or

5.3.5 any purchase by the Company of Shares pursuant to any share purchase scheme approved by Shareholders in general meeting subsequent to the issue of Warrants, whether such Shares purchased pursuant to any such share purchase scheme are deemed cancelled or held in treasury.

5.4 Any adjustment to the Exercise Price will be rounded upwards to the nearest point one (0.1) cent. No adjustments to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5.2 above by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than point one (0.1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.

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- 5.5 Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants held by each Warrantholder shall be made unless (a) it has been certified to be in accordance with Condition 5.2 above by the Auditors and (b) approval has been granted by SGX-ST for the listing of and quotation for such additional Warrant Shares as may be issued on the exercise of any of such additional Warrants as may be issued as a result of such adjustment. If for any reason an event giving rise to an adjustment (the “**First Adjustment**”) made to the Exercise Price or the number of Warrants held by each Warrantholder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warrantholder shall at the discretion of the Company be readjusted to the amount prevailing immediately prior to the First Adjustment with effect from such date and in such manner as an Approved Bank may consider appropriate.
- 5.6 Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants held by each Warrantholder provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder should be made notwithstanding that no such adjustment is required or contemplated under the said provisions, the Company may at its discretion appoint an Approved Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Bank shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank to be in its opinion appropriate.
- 5.7 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 12 that the Exercise Price and/or the number of Warrants held by each Warrantholder has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Warrants remains exercisable make available for inspection at the specified office for the time being of the Warrant Agent:
- 5.7.1 a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
- 5.7.2 a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment,

and shall, on request and at the expense of the Warrantholder, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants held by each Warrantholder, the Company will, as soon as practicable but not later than seven (7) Market Days after the effective date of such adjustment (or such longer period as the SGX-ST may permit), despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, to his address appearing in the Warrant Register or, in respect of Warrants registered in the name of CDP, to CDP, provided that if additional Warrants are issued to each Warrantholder as a result of an adjustment which is cancelled, revoked or not completed and the number of Warrants held by each Warrantholder is readjusted pursuant to Condition 5.5, such additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank and/or the Auditors may consider appropriate.

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- 5.8 If the Directors, the Approved Bank and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.
- 5.9 Without prejudice to the generality of Condition 5.6, if the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into Shares, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank and the Directors shall determine that an adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantheader shall be adjusted accordingly.
- 5.10 Any new Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Deed Poll, and shall be issued, subject to and with the benefit of the Deed Poll and these Conditions, on such terms and conditions as the Directors may from time to time think fit including but not limited to the terms and Conditions as set out herein for the Warrants.
- 5.11 In giving any certificate or making any adjustment hereunder, the Auditors and the Approved Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decisions shall be conclusive and binding on the Company, the Warrantheaders and all other persons having an interest in the Warrants.
- 5.12 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantheader other than in accordance with the provisions of this Condition 5 shall be subject to the approval of SGX-ST and agreed to by the Company, the Auditors and the Approved Bank. Any adjustment made pursuant to Condition 5 shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company to the SGX-ST.
- 5.13 Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and the requirements of SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantheaders shall be required for such buyback of any classes of shares and there shall be no adjustments to the Exercise Price and number of Warrants by reason of such buy-back of any classes of shares.

6. WINDING UP OF THE COMPANY

- 6.1 If an effective resolution is passed during the Exercise Period for a members' voluntary winding up of the Company, for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warrantheaders by way of a Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warrantheaders and all persons having an interest in the Warrants.
- 6.2 In any other case, if notice is given by the Company to its members to convene a general meeting for the purposes of considering a members' voluntary winding-up of the Company, every Warrantheader shall be entitled upon and subject to the Deed Poll and the Conditions, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with all payments payable under Conditions 4.1 and 4.2, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantheaders in accordance with the Deed Poll and the Conditions of the passing of any such resolution within seven (7) days after the passing thereof.

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- 6.3 Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants which have not been exercised at the date of commencement of winding up shall lapse and the Warrants shall cease to be valid for any purpose.

7. FURTHER ISSUES

Subject to the Conditions, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantheolders shall not have any participating rights in such issue of Shares unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire the Shares.

8. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS

- 8.1 Schedule 2 of the Deed Poll sets out the provisions for convening meetings of the Warrantheolders to consider any matter affecting their interests, including the sanctioning by Special Resolution of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Company or Warrantheolders holding not less than twenty per cent. (20%) of the Warrants for the time being remaining Unexercised. The quorum at any such meeting for passing a Special Resolution shall be two (2) or more Warrantheolders present in person or by proxy duly appointed by Warrantheolders holding or representing not less than fifty per cent. (50%) of the Warrants for the time being Unexercised.

- 8.2 At any adjourned meeting, two (2) or more persons present being or representing Warrantheolders whatever the number of Warrants so held or represented shall form a quorum, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll (including cancelling the subscription rights constituted by the Warrants or changing the Exercise Period) the necessary quorum for passing a Special Resolution shall be two (2) or more persons or representing not less than seventy-five per cent. (75%) or at any adjournment of such meeting over fifty per cent. (50%) of the Warrants for the time being remaining Unexercised. A Special Resolution duly passed at any meeting of Warrantheolders shall be binding on all Warrantheolders, whether or not they were present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgement, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantheolders.

- 8.3 The Company may, without the consent of the Warrantheolders but in accordance with the terms of the Deed Poll, effect any modification to the Warrants, the Deed Poll or the Warrant Agency Agreement which, in the opinion of the Company:

8.3.1 is not materially prejudicial to the interests of the Warrantheolders;

8.3.2 is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of SGX-ST; and/or

8.3.3 is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of new Shares arising from the exercise of the Warrants or meetings of the Warrantheolders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on SGX-ST.

Any such modification shall be binding on the Warrantheolders and all persons having an interest in the Warrants and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.

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- 8.4 Notwithstanding Condition 8.3 above, no material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to Shareholders shall be made unless first approved by the Shareholders in general meeting, and, if necessary, SGX-ST.
- 8.5 Except where the alterations are made pursuant to these Conditions (including but not limited to alterations made pursuant to and in accordance with Condition 5 above or Condition 8.3 or Condition 8.4 above), the Company shall not:
- 8.5.1 extend the Exercise Period;
 - 8.5.2 issue new warrants to replace the Warrants;
 - 8.5.3 change the Exercise Price; or
 - 8.5.4 change the exercise ratio of the Warrants.

9. REPLACEMENT OF WARRANT CERTIFICATES

If a Warrant Certificate is mutilated, defaced, lost, stolen or destroyed, it may, subject to applicable law and at the discretion of the Company, be replaced upon request by the Warrantheolder at the specified office for the time being of the Warrant Agent on payment of such costs as may be incurred in connection therewith, and on such terms as to evidence, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate(s) in respect of the Warrant(s) is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof), advertisement, undertaking and otherwise as the Company and/or the Warrant Agent may require. Mutilated or defaced Warrant Certificates must be surrendered to the Warrant Agent before replacements will be issued. The replacement Warrant Certificate will be issued to the registered holder of the Warrant Certificate replaced.

10. TRANSFER AND TRANSMISSION OF WARRANTS

- 10.1 Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling the Warrantheolder to subscribe for whole numbers of Warrant Shares and so that no person shall be recognised by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a Warrant Share or otherwise than as the sole or joint holder of the entirety of such Warrant Share.
- 10.2 Subject to applicable law and the Conditions, a Warrant may only be transferred in accordance with the following provisions of this Condition 10.2:
- 10.2.1 a Warrantheolder (the “**Transferor**”) shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor’s Warrant Certificate(s) together with a transfer form as prescribed by the Company from time to time (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any applicable law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll. A Transferor shall be deemed to remain a Warrantheolder of the Warrants until the name of the transferee is entered in the Warrant Register by the Warrant Agent;
 - 10.2.2 the Transferor shall furnish such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Transferor;
 - 10.2.3 the Transferor shall pay the expenses of, and submit any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

- 10.2.4 the Transfer Form shall be accompanied by the registration fee (such fee being for the time being a sum of S\$2.00 (excluding any goods and services tax) for each Warrant Certificate to be transferred) which shall be payable by cash or cheque together with any stamp duty and any goods and services tax (if any) specified by the Warrant Agent to the Transferor, such evidence as the Warrant Agent may require to determine and verify the due execution of the Transfer Form and payment of the expenses of, and submit such documents as the Warrant Agent may require to effect delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;
- 10.2.5 if the Transfer Form has not been fully or correctly completed by the Transferor or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Transferor accompanied by written notice of the omission(s) and/or error(s) and requesting the Transferor to complete and/or amend the Transfer Form and/or to make the requisite payment; and
- 10.2.6 if the Transfer Form has been fully and correctly completed, the Warrant Agent shall as agent for and on behalf of the Company:
- (a) register the person named in the Transfer Form as transferee in the Warrant Register as registered holder of the Warrant in place of the Transferor;
 - (b) cancel the Warrant Certificate(s) in the name of the Transferor; and
 - (c) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.
- 10.3 The executors and administrators of a deceased Warrantholder (not being one of several joint holders) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants and shall be entitled to be registered as a holder of the Warrants upon the production by such persons to the Company and the Warrant Agent of such evidence as may be reasonably required by the Company and the Warrant Agent to prove their title and on completion of a Transfer Form and the payment of such fees and expenses referred to in Conditions 10.2.3 and 10.2.4. Condition 10.2 shall apply *mutatis mutandis* to any transfer of the Warrants by such persons.
- 10.4 A Transferor shall be deemed to remain a Warrantholder of the Warrant until the name of the transferee is entered in the Warrant Register by the Warrant Agent.
- 10.5 Where the transfer relates to part only (but not all) of the Warrants represented by a Warrant Certificate, the Company shall deliver or cause to be delivered to the Transferor at the cost of the Transferor, a Warrant Certificate in the name of the Transferor in respect of any Warrants not transferred.
- 10.6 Where the Warrants are registered in the name of the CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the CDP by way of book entry. A transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Warrant until the name of the transferee is entered in the Register of Warrantholders by the Warrant Agent or in the Depository Register by the CDP, as the case may be.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

11. WARRANT AGENT NOT ACTING FOR THE WARRANTHOLDERS

In acting under the Warrant Agency Agreement, the Warrant Agent is, subject to the terms and conditions therein, acting solely as agent for the Company for certain specified purposes and does not assume any obligation or duty to or any relationship of agency or trust for the Warrantholders.

12. NOTICES

Each Warrantholder is required to nominate an address in Singapore for service of notices and documents by giving a notice in writing to the Company and the Warrant Agent, failing which such Warrantholder shall not be entitled to receive any notices or documents. Notices to Warrantholders may be sent by ordinary post to their respective addresses so nominated (and in the case of joint holdings, to the Warrantholder whose name appears first in the Warrant Register) or be given by advertisement in a leading daily English language newspaper in circulation in Singapore. Such notices shall be deemed to have been given in the case of posting, on the date of posting and in the case of advertisement, on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made. If such advertisement is not practicable, notice can be given in such manner as the Company and the Warrant Agent may agree in writing.

All notices required to be given pursuant to these Conditions shall also be announced by the Company on SGXNET on the same day as such notice is first published in any leading English language newspaper in circulation in Singapore.

13. NOTICE OF EXPIRATION DATE

The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantholders in accordance with Condition 12, of the Expiration Date. Additionally, the Company shall not later than one (1) month before the Expiration Date, take reasonable steps to notify the Warrantholders in writing of the Expiration Date and such notice shall be delivered by post to the address of the Warrantholder as recorded in the Warrant Register, or in the case of Warrantholders whose Warrants are registered in the name of CDP, their addresses as shown in the records of CDP. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Market Day after posting.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

The Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, as may be modified, re-enacted, amended, supplemented or reconstituted from time to time, shall not under any circumstances apply to any provision of the Deed Poll and/or any term or Condition of the Warrants and any person who is not a Warrantholder shall have no right whatsoever to enforce any provision of the Deed Poll and/or any term or Condition of the Warrants.

15. GOVERNING LAW

The Warrants and these Conditions shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Company submits and each Warrantholder is deemed to irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of the Republic of Singapore for all purposes in relation to the Warrants and these Conditions but the foregoing shall not prevent or restrict any of them from enforcing any judgment obtained from a Singapore court in any other jurisdiction.

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NOTES:

- (1) *The attention of Warranholders is drawn to Rule 14 of the Singapore Code on Take-overs and Mergers and sections 139 and 140 of the Securities and Futures Act, Chapter 289 of Singapore. In general terms, these provisions regulate the acquisition of effective control of public companies. Warranholders should consider the implications of these provisions before they exercise their respective Warrants. In particular, a Warranholder should note that he may be under an obligation to extend a takeover offer for the Company if:*
 - (a) *he intends to acquire, by exercise of the Warrants or otherwise, whether at one time or different times, Shares which (together with Shares owned or acquired by him or persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of the Company; or*
 - (b) *he, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent (50%) of the voting rights of the Company; and either alone or together with persons acting in concert with him, intends to acquire additional Shares by the exercise of the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one per cent (1%).*
- (2) *The attention of the Warranholders is drawn to Condition 3.2 of the Terms and Conditions of the Warrants relating to restrictions on the exercise of the Warrants.*
- (3) *A Warranholder who, after exercise of his Warrant(s), has an interest in not less than five per cent. (5%) of the aggregate of the nominal amount of the issued share capital of the Company, is under an obligation to notify the Company of his interest in the manner set out in section 82 of the Act and Section 135 of the Securities and Futures Act, Chapter 289 of Singapore.*

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made *via* the SGX-SSH Service.
- 1.2 The provisional allotments of Rights Shares with Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares with Warrants provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares with Warrants as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares with Warrants in full or in part and are eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares with Warrants and payment for excess Rights Shares with Warrants are set out in the Offer Information Statement as well as the ARE.

CPFIS Shareholders may use, subject to applicable CPF rules and regulations, their CPF Funds to pay for the Rights Shares. CPFIS Shareholders who have acquired the Shares using their respective CPF Funds under the CPFIS-OA, can only use their respective CPF Funds to pay for the Rights Shares with Warrants. In the case of insufficient CPF funds or stock limit, the CPFIS Shareholders could top up cash into their respective approved banks to accept the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants directly from the market. CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market. CPFIS Shareholders who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using CPF Funds will need to instruct the respective approved banks, where such CPFIS Shareholders hold their CPF investment accounts, to accept their provisional allotment of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with this Offer Information Statement. CPFIS Shareholders are advised to provide their respective approved banks with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by CPFIS Shareholders to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares with Warrants made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected.

SRS Shareholders who had previously bought Shares using SRS Funds and who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants can only do so, subject to applicable SRS rules and regulations, using SRS Funds. Such SRS Shareholders who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants using SRS Funds, must instruct their respective SRS Approved Banks, with which they hold their SRS Accounts, to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants on their behalf in accordance with this Offer Information Statement. Such SRS Shareholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants. SRS Shareholders are advised to provide their respective SRS Approved Banks with which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in order for their respective SRS

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by SRS Shareholders to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected. SRS Funds, however, cannot be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares with Warrants specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares with Warrants, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) Excess Application(s) if the ARE is not accurately completed and signed or if the “Free Balance” of the relevant Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares with Warrants accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the Excess Application is in breach of the terms of the ARE or the Offer Information Statement, at CDP’s absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES WITH WARRANTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES WITH WARRANTS EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or excess Rights Shares with Warrants in relation to the Rights cum Warrants Issue or does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares with Warrants and/or excess Rights Shares with Warrants in relation to the Rights cum Warrants Issue is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be authorised and entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants, and where applicable, application for excess Rights Shares with Warrants in relation to the Rights cum Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Shares with Warrants.

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Rights Shares with Warrants provisionally allotted or (if applicable) to apply for excess Rights Shares with Warrants will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix D of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES WITH WARRANTS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES WITH WARRANTS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part A of Section (II) of the ARE the total number of Rights Shares with Warrants provisionally allotted to him which he wishes to accept and the number of excess Rights Shares with Warrants applied for and in Part C of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for:
 - (i) by hand to **OCEAN SKY INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE #01- 19/20, THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **OCEAN SKY INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

The payment for the relevant number of Rights Shares with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — OCEAN SKY INTL RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants through the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares with Warrants accepted by the Entitled Depositor and (if applicable) the excess Rights Shares with Warrants applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix B which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares with Warrants in relation to the Rights cum Warrants Issue.

2.5 Acceptance of Part of Provisional Allotments of Rights Shares with Warrants and Trading of Provisional Allotments of Rights Shares with Warrants

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares with Warrants specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares with Warrants and trade the balance of his provisional allotment of Rights Shares with Warrants on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares with Warrants provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares with Warrants by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares with Warrants may be sold as soon as dealings therein commence on the SGX-ST.

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Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares with Warrants, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares with Warrants as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

2.6 Sale of Provisional Allotments of Rights Shares with Warrants

The ARE need not be forwarded to Purchasers as arrangements will be made by CDP for separate ARSs to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement 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. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares with Warrants may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. You may obtain a copy from CDP. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES WITH WARRANTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES WITH WARRANTS REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES WITH WARRANTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES WITH WARRANTS ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares with Warrants

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares with Warrants in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares with Warrants which they wish to renounce. Such renunciation shall be made in accordance with the "Terms and Conditions for Operations of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares with Warrants. The last time and date for acceptance of the provisional allotments of Rights Shares with Warrants and payment for the Rights Shares with Warrants by the renounee is **5.00 p.m. on 31 July 2018 (9.30 p.m. on 31 July 2018** for Electronic Applications) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares with Warrants by way of the ARE and/or the ARS and/or has applied for excess Rights Shares with Warrants by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares with Warrants provisionally allotted to him and/or application for excess Rights Shares with Warrants (including any Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$0.062 FOR EACH RIGHTS SHARE)

As an illustration, if an Entitled Depositor has 2,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 1,000 Rights Shares with Warrants as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

(a) Accept his entire provisional allotment of 1,000 Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants.

Procedures to be taken

- (1) Accept his entire provisional allotment of 1,000 Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 1,000 Rights Shares with Warrants and (if applicable) the number of excess Rights Shares with Warrants applied for and forward the original signed ARE together with a single remittance for S\$62 (or, if applicable, such higher amount in respect of the total number of Rights Shares with Warrants accepted and excess Rights Shares with Warrants applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to "**CDP — OCEAN SKY INTL RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **OCEAN SKY INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE #01-19/20, THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **OCEAN SKY INTERNATIONAL LIMITED C/O THE**

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APPLICATION BY ENTITLED DEPOSITORS**

CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147 so as to arrive not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- (b) Accept a portion of his provisional allotment of Rights Shares with Warrants, for example 500 provisionally allotted Rights Shares with Warrants, not apply for excess Rights Shares with Warrants and trade the balance on the SGX-ST.
- (1) Accept his provisional allotment of 500 Rights Shares with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 31 July 2018**; or
- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 500 Rights Shares with Warrants, and forward the original signed ARE, together with a single remittance for S\$31, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 500 Rights Shares with Warrants which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares with Warrants would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares with Warrants or any other board lot size which the SGX-ST may require.

- (c) Accept a portion of his provisional allotment of Rights Shares with Warrants, for example 500 provisionally allotted Rights Shares with Warrants, and reject the balance.
- (1) Accept his provisional allotment of 500 Rights Shares with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 500 Rights Shares with Warrants and forward the original signed ARE, together with a single remittance for S\$31, in the

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 500 Rights Shares with Warrants which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IN RELATION TO THE RIGHTS CUM WARRANTS ISSUE IS:

- (A) **9.30 P.M. ON 31 JULY 2018 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (B) **5.00 P.M. ON 31 JULY 2018 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IS MADE THROUGH CDP OR SGX-SSH SERVICE; AND**

If acceptance and payment for the Rights Shares with Warrants in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement are not received through an ATM of a Participating Bank by **9.30 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares with Warrants shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy Excess Applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

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5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix B, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares with Warrants and/or applying for excess Rights Shares with Warrants, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares with Warrants provisionally allotted to him and (if applicable) in respect of his application for excess Rights Shares with Warrants as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares with Warrants in relation to the Rights cum Warrants Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares with Warrants in relation to the Rights cum Warrants Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares with Warrants provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Rights Shares with Warrants. The determination and appropriation by the Company and CDP shall be conclusive and binding;
- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares with Warrants in relation to the Rights cum Warrants Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares with Warrants and (if applicable) his application for excess Rights Shares with Warrants, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares with Warrants and excess Rights Shares with Warrants in relation to the Rights cum Warrants Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares with Warrants provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for excess Rights Shares with Warrants by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for excess Rights Shares with Warrants (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Shares with Warrants

The excess Rights Shares with Warrants available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares with Warrants will, at the Directors' absolute discretion, be satisfied from such Rights Shares with Warrants as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares with Warrants together with the aggregated fractional entitlements to the Rights Shares with Warrants, any unsold "nil-paid" provisional allotment of Rights Shares with Warrants (if any) of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more excess Rights Shares with Warrants than are available, the excess Rights Shares with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the

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allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any Rights Shares with Warrants (whether through provisional allotments and/or application of excess Rights Shares with Warrants) that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting. The Company reserves the right to refuse any application for excess Rights Shares with Warrants, in whole or in part, without assigning any reason whatsoever. In the event that the number of excess Rights Shares with Warrants allotted to an Entitled Depositor is less than the number of excess Rights Shares with Warrants applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Rights Shares with Warrants actually allotted to him.

If no excess Rights Shares with Warrants are allotted or if the number of excess Rights Shares with Warrants allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares with Warrants, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for excess Rights Shares with Warrants by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for excess Rights Shares with Warrants through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares with Warrants is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares with Warrants is effected by **9.30 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — OCEAN SKY INTL RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by hand to **OCEAN SKY INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE #01- 19/20, THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **OCEAN SKY INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Shares with Warrants is effected by **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares with Warrants will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITORS' OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The certificates for the Rights Shares with Warrants and excess Rights Shares with Warrants will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares with Warrants and excess Rights Shares with Warrants, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares with Warrants and excess Rights Shares with Warrants credited to your Securities Account.

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares with Warrants provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares with Warrants provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares with Warrants provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES WITH WARRANTS AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES WITH WARRANTS IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) your application for excess Rights Shares with Warrants through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

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CDP Phone User Guide

1. Dial (65) 6535-7511
2. Press '1' for English; Press '2' for Mandarin
3. Press '1' for 'All CDP account related queries'
4. Press '3' for 'Corporate Actions Announcement and Transactions'
5. Press '2' for your rights application status
6. Enter your 12 digit CDP securities account number
7. Enter your 6 digit telephone pin

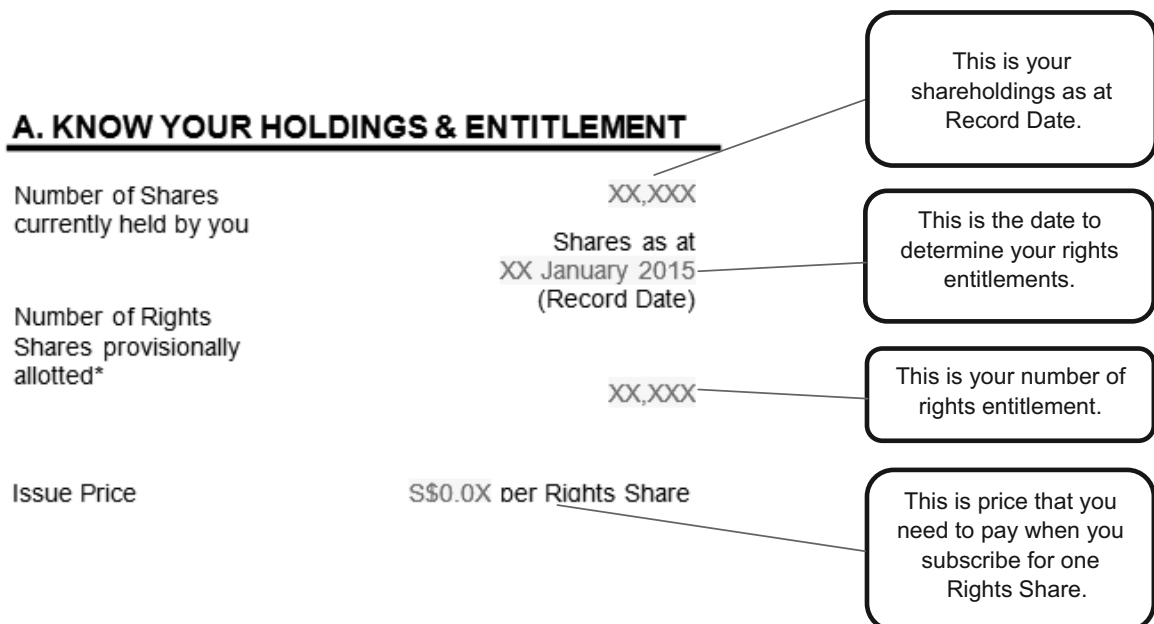
All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application through an ATM of a Participating Bank, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, CPF Board, the SGX-ST and the Company (the "**Relevant Persons**") for the purposes of facilitating his application for the Rights Shares with Warrants and (if applicable) his application for excess Rights Shares with Warrants, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

6. PROCEDURE TO COMPLETE THE ARE / ARS

6.1 Know your holdings and entitlement



APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6.2 Select your application options

B. SELECT YOUR APPLICATION OPTIONS

- 1. ATM** Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by XX September 2015 at 9.30 p.m.
Participating Banks are XXX, XXX and XXX.
- 2. MAIL** Complete section below and submit this form to CDP by XX September at 5.00 p.m.
- (i) Only **BANKER'S DRAFT/CASHIER'S ORDER** payable to "**CDP-XXXXX RIGHTS ISSUE ACCOUNT**" will be accepted
- (ii) Applications using a **PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER** will be **rejected**
- (iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

This is the last date and time to subscribe for the Rights Share through ATM and CDP.

You can apply your Rights Shares through ATMs of these participating banks.

This is the payee name to be issued on your Cashier's Order where XXXXX is the name of the issuer.

Note: Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

6.3 Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Rights Shares Applied:
(Provisionally Allotted + Excess Rights Shares)

, , ,

ii. Cashier's Order/Banker's Draft Details:
(Input last 6 digits of CO/BD)

Signature of Shareholder(s)

Date

Fill in the total number of the Rights Shares and excess Rights Shares (for ARE)/ number of Rights Shares (for ARS) that you wish to subscribe within the boxes.

Fill in the 6 digits of the CO / BD number (eg.001764) within the boxes.

Sign within the box.

Notes:

- (i) If the total number of Rights Shares applied exceeds the provisional allotted holdings in your CDP Securities Account as at the Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (ii) The total number of Rights Shares applied will be based on the cash amount stated in your Cashier's Order/Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.
- (iii) Please note to submit one Cashier's Order per application form.

APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

Acceptances of the provisional allotment of and any Excess Application for the Rights Shares with Warrants must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and form part of this Offer Information Statement:-

Renounceable PAL incorporating:-

Form of Acceptance	FORM A
Request for Splitting	FORM B
Form of Renunciation	FORM C
Form of Nomination	FORM D
Excess Rights Shares with Warrants Application Form	FORM E

The provisional allotments of the Rights Shares with Warrants and application for excess Rights Shares with Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL. The number of Rights Shares with Warrants provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlement(s), if any, having been disregarded). Entitled Scripholders may accept their provisional allotments in full or in part and are eligible to apply for Rights Shares with Warrants in excess of their entitlements under the Rights cum Warrants Issue. Full instructions for the acceptance of and payment for the Rights Shares with Warrants provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the Offer Information Statement and the PAL.

THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES WITH WARRANTS ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.

Where any acceptance, application and/or payment does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or any other application form for the Rights Shares with Warrants and/or excess Rights Shares with Warrants, or is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotment of the Rights Shares with Warrants and (if applicable) application of excess Rights Shares with Warrants and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotment of the Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

Entitled Scripholders should note that all dealings in and transactions of the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.

APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contract made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, (Chapter 53B) of Singapore to enforce any term of such contracts.

Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

(a) Form of Acceptance (Form A)

Entitled Scripholders who wish to accept their entire provisional allotments of Rights Shares with Warrants or to accept any part of it and decline the balance, should complete and sign the Form of Acceptance (Form A) for the number of Rights Shares with Warrants which they wish to accept and forward, at the sender's own risk, the PAL, in its entirety, duly completed and signed, together with a single remittance for the payment in the prescribed manner to **OCEAN SKY INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(b) Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares with Warrants accepted by the Entitled Scripholder and (if applicable) the excess Rights Shares with Warrants applied for by the Entitled Scripholder; the attention of the Entitled Scripholder is drawn to paragraph (c) of this Appendix C which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Rights Shares with Warrants which the Entitled Scripholder has given instructions to accept.

(c) Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares with Warrants, he acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares with Warrants which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares with Warrants, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore to be applied towards the payment of his acceptance of Rights Shares with Warrants.

(d) Request for Splitting (Form B) and Form of Renunciation (Form C)

Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares with Warrants and renounce the balance of their provisional allotments of Rights Shares with Warrants, or who wish to renounce all or part of their provisional allotments in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments under the PAL split into separate PALs (the "**Split Letters**") according to their requirements. Form B together with the PAL in its entirety, both duly completed and signed, should be returned to **OCEAN SKY INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LIMITED., 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 25 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B (together with PAL in its entirety) is received after **5.00 p.m. on 25 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

The Company reserves the right to reject any request for Split Letters if, in the opinion of the Directors, the Rights Shares with Warrants requested for in the Split Letters are in unreasonable denominations. The surrender of the PAL purported to be signed by an Entitled Scripholder shall be conclusive evidence in favour of the Company, the Share Registrar and any other person involved in the Rights cum Warrants Issue of the title of the person(s) lodging it, or on whose behalf it is lodged, to deal with the same and to receive Split Letter(s) and to have credited to that person's Securities Account with CDP the Rights Shares with Warrants allotted to him or, if relevant, to receive physical Share certificate(s) and Warrant certificate(s) and/or to receive any statement from CDP and/or refund of acceptance or application monies. Instructions relating to acceptance, payment, renunciation, nomination and consolidation set out in the PAL shall apply to the Split Letters received consequent upon the original provisional allotment of Rights Shares with Warrants being split.

The Split Letters representing the number of Rights Shares with Warrants which Entitled Scripholders intend to renounce, may be renounced by completing Form C before delivery to the renounee. Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments they intend to accept, if any, and forward the said Split Letter(s) together with payment in the prescribed manner to **OCEAN SKY INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 25 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

An Entitled Scripholder who wishes to renounce his entire provisional allotment of Rights Shares with Warrants in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotment of Rights Shares with Warrants which he wishes to renounce and deliver the duly completed Form C and the PAL in its entirety to the renounee(s).

The surrender of the PAL purported to be signed by an Entitled Scripholder shall be conclusive evidence in favour of the Company, the Share Registrar and any other person involved in the Rights cum Warrants Issue of the title of the renounee to deal with it and (if applicable) to receive Split Letters and to have credited to the renounee's Securities Account with CDP the Rights Shares with Warrants renounced to him or, if relevant, to receive physical Share certificate(s) and Warrant certificate(s) for the Rights Shares with Warrants and/or to receive any statement from CDP and/or return or refund of surplus acceptance monies.

(e) Form of Nomination (with Consolidated Listing Form) (Form D)

Each Entitled Scripholder may consolidate the Rights Shares with Warrants provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A (Form of Acceptance) and the Consolidated Listing Form in Form D (Form of Nomination) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares with Warrants comprised in several renounced PALs and/or Split Letters in one name only or in the name of a Securities Account should complete the Consolidated Listing Form in Form D (Form of Nomination) of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALs AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A (IF APPLICABLE) AND FORM D.** All duly completed and signed Form Ds (and Form As, if applicable) together with PALs in its entirety, together with payment in the prescribed manner, are to reach **OCEAN SKY INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

(f) Payment

Payment in relation to PALs must be made in the form of a Banker's Draft or Cashier's Order in Singapore currency drawn on a bank in Singapore and made payable to "**OCEAN SKY – RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written on the reverse side of the Banker's Draft or Cashier's Order. The completed and signed PAL and remittance should be addressed to and forwarded at the sender's own risk to **OCEAN SKY INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to reach the Share Registrar not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and payment in the manner specified in the PAL are not received by **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares with Warrants will be deemed to have been declined and shall forthwith lapse and become void and will cease to be capable of acceptance, and such provisional allotments of Rights Shares with Warrants not so accepted will be used to satisfy Excess Applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith by means of a crossed cheque drawn on a bank in Singapore and sent **BY ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s) to their mailing addresses as maintained with the Share Registrar, as the case may be, without interest or share of revenue or benefit arising therefrom within 14 days after the Closing Date. **ACCEPTANCES ACCOMPANIED BY ANY OTHER FORM OF PAYMENT (INCLUDING THE USE OF A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE REJECTED.**

(g) Excess Rights Shares Application Form (Form E)

Entitled Scripholders who wish to apply for excess Rights Shares with Warrants in addition to those which have been provisionally allotted to them may do so by completing and signing the Excess Rights Shares Application Form (Form E) of the PAL and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Rights Shares with Warrants applied for by post in the self-addressed envelope provided at their own risk, to **OCEAN SKY INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 31 July 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

FORM E IS NOT TRANSFERABLE AND MAY ONLY BE USED BY THE ENTITLED SCRIPHOLDERS NAMED HEREIN.

The excess Rights Shares with Warrants available for application are subject to the terms and conditions contained in this Offer Information Statement, (if applicable) the Constitution of the Company and instructions contained in the PAL (including Form E). Applications for excess Rights Shares with Warrants will, at the Directors' absolute discretion, be satisfied from such Rights Shares with Warrants as are not validly taken up by the Entitled Shareholders or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares with Warrants, the unsold "nil-paid" provisional allotments of Rights Shares with Warrants (if any) of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for any reason in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and instructions contained in the PAL (including Form E) and/or any other application form for the Rights Shares with Warrants. In the event that applications are

APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

received by the Company for more excess Rights Shares with Warrants than are available, the excess Rights Shares with Warrants available will be allotted in such manner as the Directors, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odds lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company, or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board shall rank last in priority. The Company reserves the right to allot the excess Rights Shares with Warrants applied for under Form E in any manner as the Directors may deem fit and to reject or refuse, in whole or in part, any application for excess Rights Shares with Warrants without assigning any reason therefor.

In the event that the number of excess Rights Shares with Warrants allotted to Entitled Scripholders is less than the number of excess Rights Shares with Warrants applied for, Entitled Scripholders shall be deemed to have accepted the number of excess Rights Shares with Warrants actually allotted to them.

If no excess Rights Shares with Warrants are allotted to Entitled Scripholders or if the number of excess Rights Shares with Warrants allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus of the application monies for excess Rights Shares with Warrants received by the Company, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, **by ORDINARY POST** and at their **own risk**.

(h) General

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.

Entitled Scripholders or renounees (as the case may be) who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Upon listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Catalist, any trading of the Rights Shares, the Warrants and the Warrant Shares will be via the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights Shares, Warrants and the Warrant Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with CDP**" and the "**Terms and Conditions for CDP to act as Depository for the Rights Shares**", as the same may be amended from time to time. Copies of the above are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Shares with Warrants, and who wish to trade the Rights Shares with Warrants issued to them on the Catalist under the book-entry (scripless) system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares with Warrants and if applicable, the excess Rights Shares with Warrants that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept the Rights Shares with Warrants and/or apply for the excess Rights Shares with Warrants and have their Rights Shares with Warrants credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) in the relevant forms comprised in the PAL.

APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) or who have provided incorrect or invalid Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in the Securities Accounts currently maintained with CDP will be issued physical Share certificates and Warrant certificates in their own names for the Rights Shares with Warrants allotted to them and if applicable, the excess Rights Shares with Warrants allotted to them. Such physical Share certificates and Warrant certificates, if issued, will be forwarded to them by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from the address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical Share certificate(s), or an Entitled Scripholder who has not deposited his Share certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit with CDP the respective certificates, together with the duly executed instruments of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares with Warrants and/or existing Shares, as the case may be, before he can effect the desired trade.

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS UNDER THE RIGHTS CUM WARRANTS ISSUE IS 5.00 P.M. ON 31 JULY 2018 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

(i) Personal Data Privacy

By completing and delivering the PAL, an Entitled Scripholder or a renounee (i) consents to the collection, use and disclosure of his personal data by the Share Registrar, CDP, the CPF Board, SGX-ST and the Company for the purpose of facilitating his application for the Rights Shares with Warrants, and in order for the aforesaid persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with the applicable laws, and (iii) agrees that he will indemnify the Share Registrar, CDP, the CPF Board, SGX-ST and the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF PARTICIPATING BANKS

The procedures for Electronic Applications through ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (the “Steps”).

Please read carefully the terms of this Offer Information Statement, the Steps, and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used in respect of the acceptance and (if applicable) Excess Application for Rights Shares with Warrants at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Shareholder or the Purchaser of the provisional allotment of Rights Shares with Warrants who accepts or (as the case may be) applies for the Rights Shares with Warrants through an ATM of the Participating Banks. An Applicant must have an existing bank account with, and be an ATM cardholder of, one (1) of the Participating Banks before he can make an Electronic Application at the ATMs of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is to be retained by the Applicant and should not be submitted with any ARE/ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance/application liable to be rejected.

The Electronic Application shall be made on, and subject to, the terms and conditions of this Offer Information Statement, including but not limited to the terms and conditions appearing below.

- (1) In connection with his Electronic Application for the Rights Shares with Warrants, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance and application for the Rights Shares with Warrants and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
 - (b) **that he consents to the disclosure of his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, Warrant Agent, Securities Clearing & Computer Services (Pte) Ltd (SCCS), CDP, CPF, the SGX-ST, and the Company (the “Relevant Parties”).**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the 2 statements. In respect of statement 1(b) above, his confirmation, by pressing the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) of the Banking Act (Chapter 19) of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars of his account with that Participating Bank to the Relevant Parties.

- (2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Shares with Warrants using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF PARTICIPATING BANKS

- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept the lesser of the number of Rights Shares with Warrants provisionally allotted and excess Rights Shares with Warrants applied for as stated on the Transaction Record or the number of provisionally allotted Rights Shares with Warrants standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of such excess Rights Shares with Warrants or not to allot any excess Rights Shares with Warrants to the Applicant, the Applicant agrees to accept the decision as final.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key on the ATM) of the number of Rights Shares with Warrants accepted or excess Rights Shares with Warrants applied for shall signify and shall be treated as his acceptance of the number of Rights Shares with Warrants accepted or excess Rights Shares with Warrants applied that may be allotted to him.
- (5) In the event that the Applicant accepts the Rights Shares with Warrants by way of a ARE and/or a ARS (as the case may be) and/or by way of acceptance through the Electronic Application through the ATM, CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Shares with Warrants that the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept such number of Rights Shares with Warrants not exceeding the number of provisionally allotted Rights Shares with Warrants that are standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date, and CDP, in determining the number of Rights Shares with Warrants that the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptances, whether by way of banker’s draft or cashier’s order accompanying the ARE and/or ARS by way of acceptance through the Electronic Application through the ATM.
- (6) If applicable, in the event that the Applicant applies for excess Rights Shares with Warrants by way of an ARE and by way of Electronic Application through the ATM, CDP shall be authorized and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of excess Rights Shares with Warrants which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares with Warrants not exceeding the aggregate number of excess Rights Shares with Warrants for which he has applied by way of application through Electronic Application through the ATM and by way of ARE. CDP, in determining the number of excess Rights Shares with Warrants which the Applicant has given valid instructions for application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Rights Shares with Warrants, whether by way of banker’s draft or cashier’s order accompanying the ARE by way of application through Electronic Application through the ATM.
- (7) The Applicant irrevocably requests and authorises the Company to:
 - (a) register or procure the registration of the Rights Shares with Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return (without interest or any share of revenue or other benefit arising there from) the application monies, should his Electronic Application for Rights Shares with Warrants or excess Rights Shares with Warrants not be accepted, by automatically crediting the Applicant’s bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and

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- (c) return (without interest or any share of revenue or other benefit arising there from) the balance of the application monies, should his Electronic Application for excess Rights Shares with Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES WITH WARRANTS AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of the Company, CDP, or the Participating Banks), and any other events beyond the control of the Company, CDP, or the Participating Banks and if, in any such event, our Company, CDP, or the Participating Banks do not record or receive the Applicant's Electronic Application, or data relating to the Applicant's Electronic Application or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed **not** to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, or the Participating Banks for the purported acceptance of the Rights Shares with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. to 9.30 p.m.**
- (11) Electronic Applications shall close at **9.30 p.m. on 31 July 2018** or such other time as the Directors may, in their absolute discretion, decide.
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy of such particulars. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of the other Participating Banks that does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the application monies will be refunded in S\$ (without interest or any share of revenue or other benefit arising there from) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application may also be accepted in part, in which case the balance amount of application monies will be refunded.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights cum Warrants Issue at **9.30 p.m. on 31 July 2018** or such later time or date as the Directors may, in their absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any amendment to this Offer Information Statement or replacement or supplemental document is lodged with the SGX-ST, acting as an agent on behalf of the Authority);

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- (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, or the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP, or the Participating Banks due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective controls;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares with Warrants or acceptance of his application for excess Rights Shares with Warrants;
 - (e) in respect of the Rights Shares with Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the relevant parties to amend or vary (including any release or compromise of liability) or terminate such contracts. Where the third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical. Otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address failing which the notification letter on successful allotment and/or other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares with Warrants or (if applicable) applies for excess Rights Shares with Warrants, as the case may be, by way of ARE or ARS or by way of Electronic Application through the ATMs, the provisionally allotted Rights Shares with Warrants and/or excess Rights Shares with Warrants will be allotted in such manner as the Company or CDP may, in their absolute discretion, deem fit and the amount paid on acceptance and (if applicable) application or the surplus application monies, as the case may be, will be refunded without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares by any one (1) or a combination of the following:
- (a) by means of a crossed cheque sent by ordinary post at his own risk to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and
 - (b) crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF PARTICIPATING BANKS

- (19) The Applicant acknowledges that, in determining the total number of Rights Shares with Warrants represented by the provisional allotments of Rights Shares with Warrants which he can validly accept, CDP and the Company are entitled and the Applicant authorises the Company and CDP to take into consideration:
- (a) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants that the Applicant has validly accepted, whether under the ARE(s) or any other form of application (including Electronic Application through an ATM) for the Rights Shares with Warrants;
 - (b) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants standing to the credit of the “Free Balance” of the Entitled Depositor’s Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants which has been disposed of by the Entitled Depositor.

The Applicant acknowledges that CDP’s, the Company’s determination shall be conclusive and binding on him.

- (20) The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares with Warrants accepted by the Applicant and (if applicable) the excess Rights Shares with Warrants which the Applicant has applied for.
- (21) With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, the Constitution of the Company, the Deed Poll and/or any other application form for the Rights Shares with Warrants and/or excess Rights Shares with Warrants in relation to the Rights cum Warrants Issue or which does not comply with the instructions for Electronic Application or which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the “Free Balance” of the Applicant’s Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares with Warrants subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application, payment and/or other processes of remittances at any time after receipt in such manner as they may deem fit.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Shares with Warrants, and where applicable, application of excess Rights Shares with Warrants in relation to the Rights cum Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

APPENDIX E – LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

1. DBS Bank Ltd. (including POSB);
2. Oversea-Chinese Banking Corporation Limited; and
3. United Overseas Bank Limited.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights cum Warrants Issue, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

Dated this 12 day of July 2018

For and on behalf of Ocean Sky International Limited

Ang Boon Cheow Edward
(Executive Chairman and Chief Executive Officer)

Chia Yau Leong
(Executive Director)

Chua Keng Hiang
(Lead Independent Director)

Ng Ya Ken
(Independent Director)

Tan Min-Li
(Independent Director)

Chia Boon Kuah
(Independent Director)